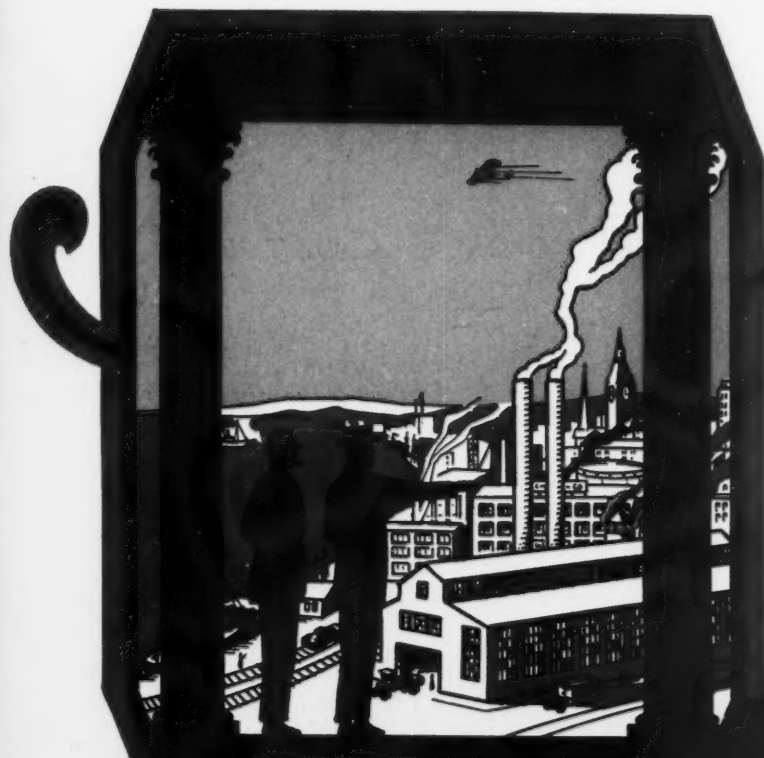


# Connecticut Industry



October

1929

## *In This Issue*

A Century of Saddlery



Insuring Connecticut's  
Industrial Future

*By E. L. Bowman*



Market Comments

*A New Department*

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# CONNECTICUT INDUSTRY

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ACCOUNTING HINTS FOR MANAGEMENT
A New Department

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# Knowledge Is Power

By E. S. SANDERSON



**T**O increase knowledge of rapidly changing sales methods, and hence to keep Connecticut manufacturers a step ahead, is the prime reason for the organization of the Sales Managers Association of Connecticut.

This Association was formally inaugurated at a meeting in Bridgeport on April 12, 1929, and two other meetings have since been held in New Haven and New Britain respectively.

The objects of the Association are clearly set forth in its by-laws as follows:

"The objects of this Association are to promote acquaintance among those in executive control of the sale of goods manufactured in Connecticut and for the dissemination of knowledge leading to better marketing methods."

The qualifications for membership are —

"Membership shall be confined to those persons in executive control of the marketing and sales of the products of Connecticut manufacturers."

With the objects closely in view the Association should become helpful to the manufacturers of the State, and it is the intention of the Executive Committee to justify the organization by presentation at the meetings of subjects of common interest, which will lend themselves to intelligent discussion to the end that all may benefit.

The present membership of 81 is only a start as to what may be done. Close cooperation is expected with other business organizations of the State, notably, The Manufacturers Association of Connecticut, the chapters of the National Association of Cost Accountants, The Connecticut Purchasing Agents Association, as well as the Connecticut Chamber of Commerce and the local Chambers of Commerce.

*Knowledge is power* and the necessity of real knowledge, not guess work, applied to prob-

Besides being sales manager of the Scovill Mfg. Co., Mr. Sanderson is executive head of the Sales Managers Association of Connecticut. This article is the first of a series of sales articles which will be forthcoming from sales leaders in the state. Future articles will deal with specific sales problems.

lems of marketing was never so necessary as it is to-day. For purposes of selling this may be divided into three broad divisions:

1. Know your facilities and products
2. Know your costs
3. Know your markets.

The first of these is so nearly obvious that it requires little explanation, yet it must be admitted that positive and up to date knowledge is necessary to determine what to manufacture, and when made what are the advantages of the product to the user. The efficient sales executive's own experience and knowledge should cover these points.

The second demands full cooperation with the cost accountant. A satisfactory cost system is to-day a necessity, which is sometimes ignored. It cannot be ignored and the business continue in a successful manner. The extent and detail of a cost system must be determined by the management of each individual corpo-

ration, but enough system must be installed so that the selling organization can obtain accurate standard costs, otherwise we must guess, and too much of this is done for the best results to the individual manufacturer and to the larger groups of manufacturers in the state and in the nation.

The third is inclusive of many details and determines such problems as advertising, the location of branch offices, methods of selling, where to sell, where *not* to sell, number of salesmen, routing salesmen, channels of distribution, and all the many administrative details connected therewith.

With the science of marketing as now developed and taught, *facts* in regard to these details can be made available and at a cost that will amply be justified. Market research intelligently handled is an economy and not an added expense for doing business. It brings to us essential knowledge needed to keep abreast of changing conditions, and should operate to lower the often mentioned high cost of distribution.

Know, do not guess!

In this brief article I have only indicated a few of the problems connected with the marketing of the products of Connecticut manufacturers. Their solution can well be left to future articles and discussion. The following editorial from a recent issue of the magazine of a Connecticut manufacturer seems pertinent.

#### "The Thin Line"

"All through life a thin line divides success from failure. This is as true in business as it is in recorded history. Edison, Marconi, Cyrus Field, Lincoln, Grant, to mention a few, all had their failures before they eventually won out. Grant, for instance, was almost at his wit's end to make enough to keep his family from starvation when the outbreak of the civil war released his hitherto unrealized abilities.

"Many a business house faces a crisis which, once weathered, puts it on the high road to success.

"And then all too frequently the line between failure and success is just as thin, making it as short a road back as it was going.

"Once upon a time a picture of a whale with a white spot scrubbed on it was a household word in America; today this brand of an every day necessity is unknown. And so it goes with many another brand, business, sometimes industry itself.

"The hotels of our land were crying 'hard times', bewailing the coming of motor cars

for a number of years, when all of a sudden they found to their surprise that motor cars were making business for them. Today the hotel industry is far beyond achievements it may have dreamed of a short time since.

"Constant vigilance is the price of keeping on the right side of the thin line which divides success from failure. John Wanamaker, master merchandiser, had this in mind apparently when in one of his 'editorials' he wrote: 'No man should be satisfied in thinking only of his long and good experience, his excellent location, his large run of customers and let it go at that. It is wise for him to think of his weak points, and take steps immediately to remove them'.

"It behooves each of us to take similar action. Whether we are merchant, manufacturer, financier, politician or mere man it is not unlikely that we have our weak points, in greater or less degree. Removing these weak points is not an easy task, but it can be accomplished. Certainly it is to our individual and collective advantage to overcome them, and certain it is that each man must search out and vanquish his own weaknesses.

"Then, and only then, will the bright sun of success shine upon failure."

#### Your Winter Vacation

Last winter was an easy one for those of us so unfortunate as to be able to enjoy the balmy airs of the South, but what of this year? When nature supplies our quota of ice and snow, you will be glad you have made your reservations for the Manufacturers' Cruise in the Caribbean on the S. S. Ulua leaving New York on January 4.

For 22 days you will sail the sapphire blue in a ship as comfortable as your own home. You will visit Cuba, Jamaica, the Panama Canal Zone and Costa Rica, with motor trips at Havana, Port Antonio, Kingston, Cristobal, and Port Limon, and in the company of other manufacturers from all the New England states.

Mr. Robert C. Buell, Treasurer of the Association, who took the trip last February, endorses it most heartily, even to the extent of being willing to cover the identical route again this year if business permitted. He commends the accommodations, the officers, and the arrangements in general. As a restful and interesting winter trip he believes there is none better.

All details of the 1930 cruise are available at the Association's office.

Date	Description	Amount
1829	found	20794 34
Nov 18	By C	110 50
30	"	26 98
Dec 1	"	15 49
2	"	67 06
3	"	15
4	"	1101
5	"	60
7	"	5500
8	"	346
"	"	1166
"	"	2266
9	"	655 27
"	"	142 55
"	"	200 25
"	"	566 62
10	By C	20
11	"	25
12	"	22 72
		34 92
		\$ 79 92
		20794 34
		566 62
		983 89
		160
		\$ 1710 51

A photo of a Phoenix Bank pass book held by The Smith-Worthington Saddlery Company since August 3, 1829. Pages showing debits were too grayed for good reproduction.

## A Century of Saddlery

By L. M. BINGHAM

**I**N striking contrast to the ordinary methods of starting a business, even in the eighteenth century, and more apart from present procedure, was the announcement of Normand Smith, of Hartford, appearing in the "Connecticut Courant" on the morning of August 9, 1794:

Normand Smith, six rods from the Courthouse, most respectfully informs the public, and his friends in particular, that he carries on the Saddlery business in all its branches. Also makes Horseman's Caps, Holsters, etc. He would in particular inform the ladies that he can furnish them side saddles made in the newest fashion, calculated both for ease and beauty. Those who will please to favor him with their custom may depend upon having their work done with neatness, fidelity and despatch, and on the most reasonable terms, by their humble servant.

(signed) Normand Smith

Dated at Hartford, August 9, 1794.

Although only one of many concerns in Connecticut, in business for more than a century, the Smith-Worthington Co. records are unique in many instances.

This business, established in the year George Washington took the oath of office for his second term; when the political turmoils and jealousies among the several states and Colonies were testing the courage of the founders of our Country; when abroad the French "Reign of Terror" was writing lurid and bloody history, has maintained an unbroken record of saddlery manufacture in Hartford. It has witnessed the inauguration of all of the presidents, weathered all financial storms and other trying experiences common to business during all these years, and furnished supplies for every armed conflict in which our country has been engaged, with the exception of the Revolutionary War.

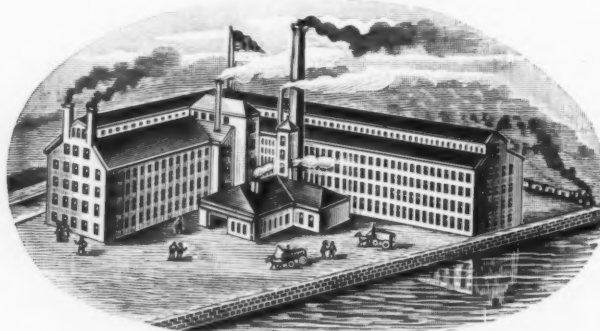
An old letter book labeled "Smith & Bige-



low, Aug. 3, 1822" was used to record all mail transactions of the company. It reveals many interesting phases of business as it was carried on in the earlier days before the advent of fast mails, armored cars, and the more common use of commercial checks and drafts. A letter addressed to Thaddeus Beardsley, a webbing manufacturer of Huntington, Connecticut, which was too grayed and bedimmed with age for photographic reproduction, is shown in print to illustrate unusual methods employed in the transfer of money:

June 1, 1829, which reads: "Morris Shepard, Blue Hills, wishes to learn the saddlery trade." Immediately under this and in another handwriting appeared the notation "He is out of his head."

Although many other concerns in Connecticut and New England are able to boast of more than a century of progressive business experience, it is believed that the company, started by Normand Smith, stands alone in the distinction of maintaining a continuous banking connection for more than a hundred years. The



*The Smith-Worthington Saddlery Company factory,  
No. 8 Sigourney Street, Hartford.*

*Hartford 22 Nov. 1822*

*Mr. Thaddeus Beardsley, Jr.*

*Sir*

*Agreeable to your order we enclose the one half of Bank Bills cut in two to the amt. of Two Hundred and Eighty Six dollars, 1. One Hundred dollar Bill on Phoenix Bank Letter A. No. 170. One 100 dollar Bill Px Bank Letter A No. 42 dated June 1, 1828. 1 50 dollar Bill Px Bk No. 103. One 20 dollar Bill Px Bk Letter A No. 56. One 10 dollar Bill Px Bk Letter A No. 538. 1 five dollar Bill Marblehead Bank No. 1679 dated May 1, 1818. One 1 dollar Bill New England Commercial Bank No. 4255.*

*We shall send the remaining half by the next mail and hope it will be in season to meet your wants.*

*Yours S & B —*

*No. 170 — 100  
42 — 100  
103 — 50  
56 — 20  
538 — 10  
1679 — 5  
— 1*

*286*

Another incident which depicts human nature much the same then as today, with respect to men being pessimistic about the future of their own business, is best illustrated by a memorandum in the fly-leaf of an old record book, dated

record and belief of the present management is that an account was started with the Phoenix Bank in 1814, the year of its inauguration, and has been continued without interruption until the present. One of the treasured possessions of the company is the pass book issued by the Phoenix Bank, balance carried forward under date of August 3, 1829. The photograph of the book shows withdrawals of \$20,794.34 on December 9, 1829. Other yellow bedimmed pages debited during the spring of 1830, when collections were coming in, showed balances of more than \$22,000 which indicated a strong financial position for a company of that type in this early period when our industrial system was in its infancy. There is no indication in any of the old records that the company ever encountered financial difficulties.

In the earlier years until after the Civil War, the company was known as Smith & Bigelow and the Normand T. Smith & Company. C. B. Smith, son of Normand Smith, took up the reins of the company in 1835 and continued to operate it until shortly after the Civil War, when Mr. Worthington and Benjamin G. Bourn became associated with him subsequently

causing the name to be changed to the Smith, Worthington & Company. The company was continuously operated under this firm name, until 1905, when it was changed to the The Smith-Worthington Co. In 1928 the name was changed to the Smith-Worthington Saddlery Co.

Two incidents of recent years illustrated the esteem and high regard which the employees had for the management of the company. One of their oldest salesmen had been offered a higher paid position by some new concern in the middlewest, but while talking of the offer, at the end of one of his extended trips, he mused philosophically, "Well, I'll never get rich working here but I shall work here as long as I am able, because I am always sure of my money."

The other occurrence came as a result of a labor shortage and consequent higher wages, which were forced in southern and western factories in 1917. The high wage bug then made a bee line for Hartford. A committee of workmen was appointed to confer with the management about wage increases. They were called in for a round-table conference during which the books, plans and profits of the company were laid open to them. Promptly after acquainting themselves with the facts they walked back to their respective benches, thus ending the only shadow of labor trouble ever encountered in more than a century of operation. Conservative, yes, and at times perhaps seemingly over-cautious, but always discounting their bills when this method of payment was afforded; never sacrificing quality for speed of production or extra profits, this company always kept faith with employees and customers alike.

From 1835 until the Civil War, a large trade was carried on with the aristocratic Southern planters, who were then entirely dependent upon northern factories for their supplies. Most of the saddles and equipment for the Southern market were merchandised through a store established in New Orleans, and the remainder handled by the Louisville, Kentucky, store, which distributed throughout the Ohio Valley and the states bordering on the Ohio River. During and after the war, this business was lost, but was largely replaced by business from the West which was then growing by leaps and bounds.

A letter dated October 17, 1828, to Patrick Welch, Esq., President of the Franklin Insurance Company, shows that manufacturers

were using a form of marine insurance at that early date:

Hartford, Oct. 17, 1828

To Patrick Welch, Esq.

President of the Franklin Insurance Co.

Sir

*As Mr. John Warburton has informed us that he gets his insurance to St. Louis affected at your office on terms that make it an object to send to you. We take the liberty to address you requesting you to inform us by an early mail what you will ask us for risks to New Orleans in the Packets for this year either to give us an open policy or to have us obtain a policy upon each shipment. Our shipments are made up of saddles, harnesses, leather hardware, etc., all dry articles. We generally send every fortnight—our shipments vary from 1 to 3000 dollars. We shall probably wish from 20 to 25,000 from this to the 1st of May—and shall want on the Rapell to sail on the 22d or 3rd 4000\$. We can either send you good drafts for the premium or cash discount to interest. Excuse, sir, the liberty we have taken and believe us*

Your humble servant

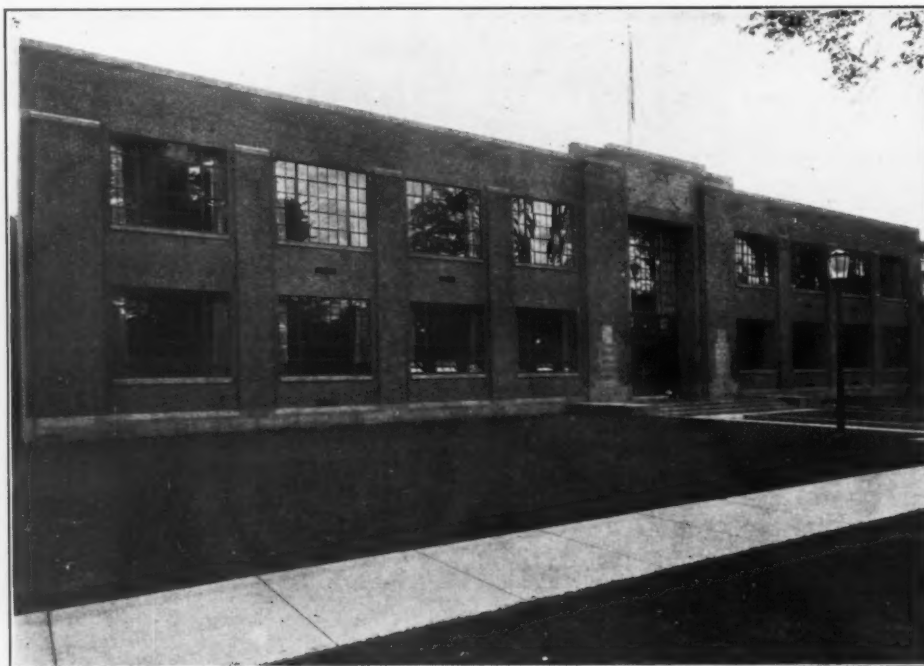
N & T Smith & Co.

Forced by cramped quarters previously occupied at 332 Asylum Street, the present factory was built in 1882 and has the distinction of being the first factory in the State of Connecticut to be lighted by electricity. Only last summer a caller stopped at the factory to inquire if this was not the building his father had brought him to when a boy, that he might see the electric lights through the windows.

Many and radical changes have taken place in the industry during these years, especially since the advent of the automobile, which has largely removed the horse as a prime necessity in the economic life of our people. Today, the horse has become a medium of pleasure and exercise, changing the demand for harness to fancy saddles, bridles and accessory equipment. Also, the comparatively recent trend in the breeding of thoroughbred dogs for pets has created a large market for dog harnesses and collars.

The Smith-Worthington Saddlery Company, successors to the Smith-Worthington Company, are now employing a group of nineteen expert leather workers whose years of service with this company average twenty-eight years. J. A. Roberts, who now controls the organization, has been continuously with the company for thirty-eight years and is pledged to the same measure of integrity and business standards that have prevailed for over a century. Times change; old methods give way to new, but industry, founded on the right principles and placed under the guidance of able management, will go on indefinitely making both profits and history.





*View of New Trade School at 110 Washington Street, Hartford, which was opened on July 7, 1929*

## Insuring Connecticut's Industrial Future

*By E. L. BOWMAN*

*State Director of Vocational Education*

WHEN a city in England is planning a great outdoor festival, it is not uncommon for the city authorities to go to Lloyd's to "insure the weather". For a given premium, Lloyd's will pay specified damages in the event that rain destroys the elaborate decorations and provisions for the feast and entertainment.

Clouds can be seen on the horizon of Connecticut's industries. Where will we find a Lloyd's to insure the industrial supremacy of Connecticut for tomorrow? For a century we have rested secure on a reputation for skill and resourcefulness, for workmanship and engineering. As a result of this reputation, Connecticut is the "finishing shop of America". How can the State insure the future of its industry?

Four great factors influence industrial trend. Power, raw materials, transportation, and men, all influence industrial futures. The locality that has ample supplies of all four, or the locality that is preeminent in any one of the four, may feel reasonably sure of its industrial future. Connecticut has power, but not more than her neighbors. Still more of Connecticut's rivers and lakes must wear the harness of industry. Connecticut has no forests. In common with most other New England States, she has no coal, no iron, no copper, no lead and no zinc. She has excellent transportation facilities, but so has Ohio and North Carolina.

Where then lies Connecticut's greatest natural resource? Obviously, in her supply of present and potential skilled workmen. One out of forty of the skilled workmen of Ameri-

ca live within the bounds of the State. Unless means are taken to insure a future supply of skilled craftsmen, the industries now located in Connecticut will move to localities where craftsmen, power, and transportation can be made to meet with raw materials.

The reason for our present and past industrial supremacy is found in our school laws. From the earliest times of the colony, implicit in the school laws was the provision that boys should be trained in brain and hand at the same time. When the trade schools were established twenty years ago, they were the logical development of this early colonial policy.

Today there are eleven trade schools with a staff of one hundred fifty-three men and women engaged in the task of training more than two thousand boys and girls in twenty-three trades. For this purpose, the State has furnished equipment valued at three-quarters of a million dollars, and the eleven cities that are cooperating have furnished buildings valued at approximately two millions of dollars.

Of these buildings the most costly is the last one to be dedicated, that furnished by the city of Hartford for the use of the State Trade School at 110 Washington Street, Hartford. It was opened as a State Trade School on July 7, 1929, and already has reported an enrollment of two hundred twelve boys. Nine trades are now being taught in this school. In September, courses will be opened in two trades for girls: Cafeteria Operation and Dress-making.

In the equipment of the new trade school



*Above — Interior of shop for teaching machinists and tool-makers.*

*Below — Automobile repair shop where instruction is given in connection with practical work.*

at Hartford, no expense has been spared by the State to make the learning facilities as modern and as complete as possible. The interior of the shop for teaching machinists and tool-makers is shown on this page. Every piece of machinery in the room is modern. The need for this is the more readily understood when the development of machine tools and machine tool design during the last two years has been studied. The machine that is up-to-date today probably will be out-of-date ten years from now, and the service life of these machines should be more than ten years.

In addition to the usual shop trades, the Hartford School offers instruction in plumbing, carpentry, electrical trades, printing, and automobile repair. The automobile repair shop is shown on this page. Attention should be paid to the lighting and equipment for bench and floor work. In the farther end of the shop is shown the special equipment for servicing automobiles.

Hitherto the state trade schools have been content to spend their major attention and major time on the all-day trade school. In this type of instruction a boy at fourteen is taken into the trade school, and is kept under instruction until he has served forty-eight hundred hours of instructional time, whereupon it is presumed that he has mastered the trade that has been studied. As a result of the recent survey by the Manufacturers' Association of Connecticut and the resulting study of the trade schools by the State Board authorities, increased facilities are being given to part-time

# Savannah Line

## INCREASED SERVICE

To meet the demand of popularity, it is our pleasure to announce an additional weekly sailing between New York, N. Y., and Savannah, Ga. Our sailings are now:

From  
**NEW YORK TO SAVANNAH**  
Every Monday, Wednesday, Thursday  
and Saturday

From  
**BOSTON TO SAVANNAH**  
Every Tuesday, Thursday and Saturday

From  
**SAVANNAH TO NEW YORK**  
Every Monday, Wednesday, Friday  
and Sunday

From  
**SAVANNAH TO BOSTON**  
Every Monday, Wednesday and Friday

### FREIGHT

Differential rates apply between the East and points in the South, Southwest and West. Package cars operated to and from Savannah and freight transferred direct between cars and ship thereby insuring prompt and efficient handling.

### PASSENGER

Delightful all-expense cruises Boston and New York to Savannah, Tybee Beach and Sea Island Beach — from Boston 9 to 14 days — \$85.00 to \$130.00. From New York — 7 to 12 days — \$72.00 to \$117.00. Cruise fares include meals and stateroom accommodations aboard ship, hotel accommodation (American Plan) sightseeing trips and transfers. DeLuxe accommodations at reasonable additional charges. Through tickets to Florida and other Southern Points.

## OCEAN STEAMSHIP COMPANY OF SAVANNAH

Pier 42, Hoosac Tunnel Docks — Boston, Mass.

New Pier 46, North River — New York, N. Y.

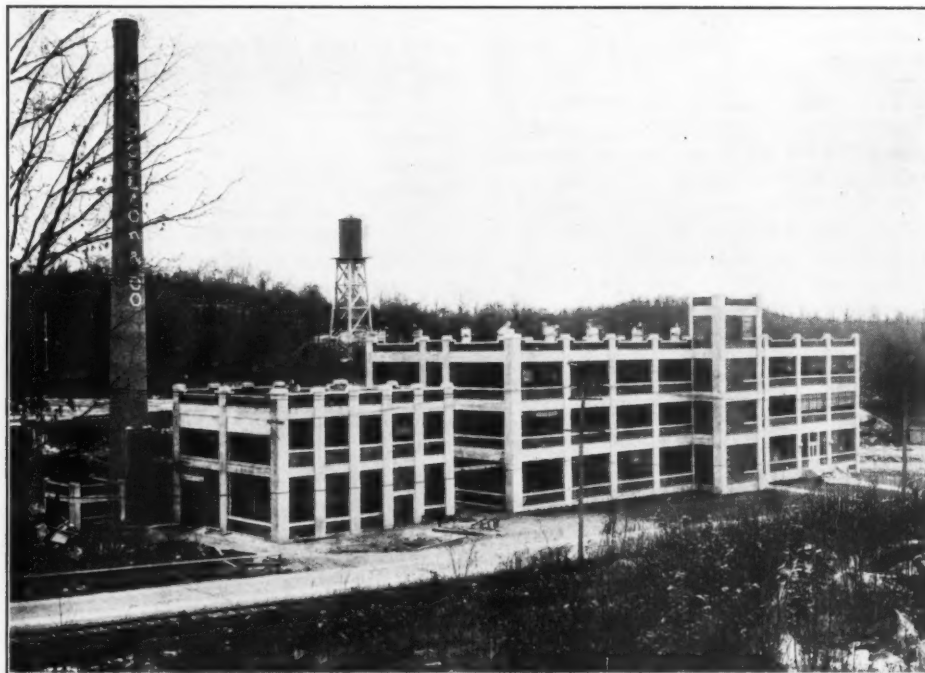
education, by means of which apprentices now employed, in the shops of Connecticut, will be given their training in Related Subjects and Trade Theory in the State Trade School.

Already four schools are planning very definite part-time courses. Bridgeport and New Britain are developing and extending part-time courses of some years' standing. Hartford State Trade School has taken over the school for machinist and toolmaker apprentices heretofore operated by the Hartford City Board of Education. An instructor-coordinator has been appointed at Middletown to develop part-time trade extension courses in connection with the shops and factories of that city.

In the effort to insure Connecticut's industrial future through the training of skilled craftsmen, the trade instructor is an indispensable factor. Accordingly, the state trade schools are embarking on a carefully worked out program of Industrial Teacher-Training. This is in charge of Herman S. Hall, formerly Director of the New Britain State Trade School. Since the beginning of this fiscal year on July 1, one hundred enrollments in Teacher-Training Courses have been made by those engaged in the work. Classes in Teacher-Train-

ing are now being operated in New Britain, Hartford, and South Manchester. The purpose of these classes is to develop the power of the skilled craftsman who comes in as an instructor. No matter how skilled the craftsman, he is valueless as instructor in the state trade schools unless he has the ability to teach, to put over to the boys under his care the skills, knowledge, and judgment that are essential to their progress in industry.

Part-time education and a general adoption of the methods developed by part-time education will extend the services of the state trade schools to many more young men who are learning the trades in Connecticut industry. Teacher-Training will improve the quality and the quantity of the teaching done in the Connecticut Trade Schools, and will insure to industry a continuous supply of skilled workers trained under the guidance of expert teachers who are also expert craftsmen. With the establishment of state trade schools in hitherto undeveloped centers of training like Norwich, New London, New Haven, Waterbury, and Ansonia, the future of Connecticut's industry will be insured, and we shall continue to be the "finishing shop of America".



A VIEW OF THE MAX POLLACK & CO. PLANT AT GROTON, CONN.

*The Max Pollack & Co. manufactures cotton sewing thread on wooden spools, paper tubes and on paper cones. This includes mercerized, plain and finished cotton thread.*

## INDUSTRIAL BRIEFS

### Pearsall Resigns at Bigelow-Hartford

William Pearsall, superintendent of the Bigelow-Hartford Carpet Company has resigned. Mr. Pearsall developed the "Arada Rug" while with the Bigelow-Hartford Company.

Elliot I. Pearson who has been with the company for the past four years, the last three years as assistant superintendent, has been named as Mr. Pearsall's successor.

### Unemployment Committee Placing Rubber Workers

The Unemployment Committee, known as the "Mayor's Unemployment Committee" formed to care for more than 1,000 workers thrown out of employment because of the removal of the Hartford Rubber Works to De-

troit, Michigan, is making a comprehensive survey of factories, city departments, and public utilities corporations in an effort to place these men before the winter months. In addition to paying over \$100,000 in the form of wage termination bonuses to workers, the Hartford Rubber Company has lent a helping hand by placing about thirty foremen in other factories throughout the state, and has given over the facilities of its employment office to assist the Mayor's Committee in finding jobs for the men.

Many of the unskilled workers have been hired by contractors, the skilled workmen presenting the greatest problem to the Committee. All employers of labor, skilled or unskilled, have been invited to consult this committee when in need of help, until the present situation has been relieved.



### Yale & Towne Earnings Increase

The Yale & Towne Company of Stamford, Conn., manufacturers of Yale locks, builders' hardware, chain blocks, electric hoists, and electric industrial trucks, now shows a 42% gain in net earnings during the first half of 1929. The net earnings for the first six months of 1929 were \$1,618,211 compared with \$1,123,143 in the same period of 1928, or per share earnings of \$2.71 for 1929 against \$1.88 for the first half of 1928. The Yale & Towne Company has an excellent dividend record, extending back over a fifty-year period.

### New Plant Completed for M. Swift & Sons, Inc.

The new plant of M. Swift & Company of Hartford, Conn., said to be the largest gold-beating plant in the world, has recently been completed.

It is a modern two-story and basement building, 55 x 178, of mill construction with brick and concrete walls, a wing 30 x 52 and a one-story boiler room, 24 x 36.

The plant was specially designed by Mylchreest & Reynolds, consulting engineers and architects, for the most economic production of gold leaf from the raw "gold brick" stage to the packing and shipping room.

A complete system has been installed which will automatically measure the room temperatures and relative humidities so necessary in the proper handling of gold-leaf. A burglar and fire-proof vault, three stories high, with specially designed Herring-Hall-Marvin doors has been included within the building.

The construction work was done by A. F. Peaslee, Inc., and the plumbing and heating by F. D. Ellison. Automatic Ray-Oil heaters are employed to produce the steam for heating purposes.

M. Swift & Co., Inc., has been engaged in "gold-beating" — one of our early industries — in Hartford, since 1886. Their product, gold-leaf, is used for making signs, stamping

names and designs in hat-bands, stamping of titles on books, edging of cards and books, picture frames and lettering railway cars.

### Danbury Printing Company Resumes Operations

The Danbury Printing Company which was forced to abandon operations last April because of a disastrous fire, destroying the plant and equipment, is now occupying a new building constructed on the same site, 37-39 Foster Street, Danbury. The new plant is equipped with the most modern printing

and binding machinery, capable of handling all types of printing work.

### Speedier Schedule for Air Mail

Effective September 14, and daily thereafter, air-mail leaving Hartford on the night plane, will arrive at points in the Northwest as follows: Port-

land 6:15 A. M.; Seattle 7:50 A. M.; Spokane 5:45 A. M.; and Tacoma 7:35 A. M. This provides a 36 to 40 hour service from cities in the Hartford district with a corresponding fast service for incoming mail from Washington and Oregon.

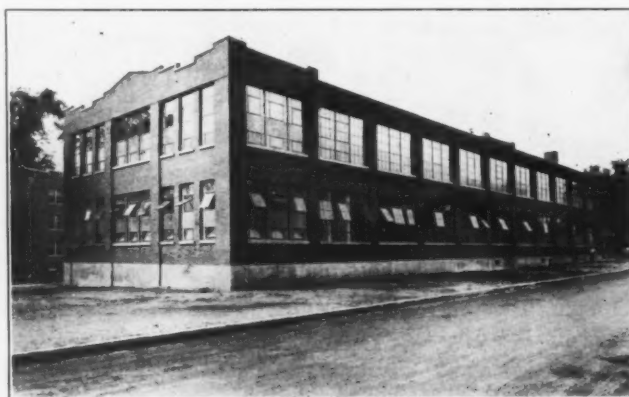
### Building Activities Around the State

A large four-story reinforced addition has just been built by McKesson & Robbins, Inc., Bridgeport, Conn. This is the second large addition made within the last two years.

A new brick and steel office building of two stories and basement is just being completed for the American Tube & Stamping Company plant-Stanley Works, Bridgeport, Conn. This building has several unusual features, and special attention has been paid to its acoustics.

Work is progressing rapidly on a large new building for the Bullard Company, Bridgeport, Conn.

Contracts have been let, and work started on a large two-story reinforced concrete addi-



*A view of M. Swift and Sons New Factory designed by Mylchreest & Reynolds*

tion to the Pitney-Bowes Postage-Meter Company plant at Stamford, Conn.

Fletcher-Thompson Inc., engineers and architects of Bridgeport were the designers of the above structures.

#### Connecticut Up-to-date in Employment Bureaus

the country which have value of having a public employment service operating under the jurisdiction of a State Labor Department. Massachusetts and Connecticut are said to be the only two states in New England which have provided for the establishment and maintenance of public employment offices through legislative action.

#### Libraries Association Unravel Government Data

The key to a magic storehouse of invaluable business information contained in formal government publications and up-to-date releases, is now made available in book form by the Special Libraries Association of 11 Nisbet Street, Providence, R. I. The book, titled "A Descriptive List for Use in Acquiring and Discarding U. S. Government Periodical Mimeographed Statements" outlines the commercial, industrial and financial releases of a statistical nature by various government bureaus.

The arrangement is alphabetical, and indexed according to the individual issuing governmental bureaus, thus serving as a key to all releases of the Department of Commerce. A subject index is also provided to unravel the various departmental publications, with notations showing the frequency of a publication and permanent form where the information may be found. The subject index gives a wide range of subjects, including aeronautics, auto-

Connecticut is keeping step with the times by being one of the twelve states in come to realize the

#### Connecticut Firms Lose in Radio Crash

unsecured creditors of the Standard Radio Corporation of Worcester, according to the filing of a bankruptcy schedule. The Acme Wire

Several Connecticut firms are named among more than 100 unsecured creditors of the Standard Radio Corporation of Worcester, according to the filing of a bankruptcy schedule. The Acme Wire Company of New Haven is said to have suffered the heaviest loss. Other firms having unsecured claims against the company are: Arrow, Hart & Hegeman Manufacturing Co. of Hartford; the Wheeler Insulated Wire Company of Bridgeport; the Waterbury Button Company of Waterbury; the Chase Brass & Copper Company of Waterbury, and the Blake and Johnson Company of Waterbury.

### LAST MINUTE FLASHES

**Yale & Towne buy old English lock plant.**

**New York, New Haven and Hartford R. R. will probably not join proposed consolidation.**

**Electric Boat Co. launches first new ferry boat for New York State.**

**Chase opens Ohio plant on October 1st.**

the same period last year by an even 40%.

#### New Departure to Erect Power Plant

Temple & Crane of Boston for the erection of a new power house at their Bristol plant. The main building will be of concrete, steel and brick, about 54 x 126 ft. with basement and one high story. Work has already been started.

#### Rubber Company Booms Naugatuck

The U. S. Rubber Co. plant at Naugatuck, having added over 300 new employes since January 1st, and seeking several hundred additional operators,

#### Wallace Barnes Company Increases Business

The Wallace Barnes Company, spring manufacturers of Bristol recently announced that shipments of their products for the first six months of 1929 exceeded

The New Departure Company recently contracted with



is experiencing a record boom. The record boost in employes is claimed to be only a fore-runner of what is to come. It is believed that the total number of operators engaged in the five Naugatuck plants will exceed 3,000 before many months.

#### **Polymet Runs to Two Million Behind in Orders**

Winsted, reports that unfilled orders now on hand exceed \$2,000,000. The corporation which supplies essential radio parts for about 80% of the largest radio manufacturers, also reports more than a 200% increase in their export business over last year.

The Polymet Manufacturing Company owners of the Strand & Sweet Company of

#### **Connecticut Telephone and Electric Company to be Sold**

The Connecticut Telephone & Electric Company plants, located in Meriden are to be sold at Public auction on October 15 by order of the Court as requested in a petition recently filed by Byron A. Fones, receiver of the company. The sale was desirable in order to wind up the affairs of the company.

#### **Contractors to Meet in October**

Nearly 200 of the most prominent general contractors in the country will assemble in Hartford for the annual fall meeting of the Associated General Contractors of America, to be held October 7, 8, and 9 at the Hotel Bond. The committee named by the Hartford Chapter which will be in charge of arrangements for the session, is as follows: Rupert G. Bent, R. G. Bent & Son; John Wise, Wise & Upson; George Johnson, Richard Johnson & Company, and Michael Connors. Prominent among those who will take part in the session are Thos. T. Flagler of Atlanta, Ga. and D. A. Garber, former president of the Northeastern Construction Company of New York, and now manager of the Associated General Contractors. Mr. Flagler is the author of an excellent article dealing with the modern problems of a contractor, appear-

ing in the September issue of Nation's Business.

#### **Government Suggests Uses for Waste Lumber**

A recent Commerce Department bulletin entitled "You Can Make It" shows usages which can be made of waste lumber by wood-working establishments turning out toys, furniture, and general household articles which may be sold through department stores in knockdown and unpainted form. The bulletin is said to contain more than 100 articles which can be made from scrap lumber and old box and crate material. Manual training teachers have welcomed the ideas contained in this booklet as a means of retaining the interest of boys in manual training work.

#### **Coal Stocks Low in Connecticut**

Industrial plants in Connecticut have been unusually slow in laying in fall and winter stocks of bituminous coals, according to a recent report from the Bureau of Mines of the Commerce Department reports. Vermont was the only state in New England which had a larger supply than was held at this time last year. Supplies in other states were approximately 20% below last year's stocks.

#### **General Contract Let for Pratt & Whitney Plant**

The general contract for the Pratt & Whitney Aircraft Company's new factory which is being constructed in East Hartford, has been awarded to the Turner Construction Company of New York, according to a statement made by Don L. Brown, vice-president of the company. This contract calls for an expenditure of more than \$1,000,000, which includes the construction of the main motor plant, the office section, garages, and engineering department. Plans for the power plant and Chaunce Vought factory are now ready for bids. Previous contracts for foundation work and steel construction have already been awarded to R. G. Bent Co. of Hartford, and Levering & Garrigues Co. of N. Y.

### **Salesmen's and Purchasing Agents' Association to Have Cooperative Exhibit**

The Salesmen's & Purchasing Agents' Association of America Inc., Headquarters, Bridgeport, Connecticut, have arranged for the second Co-operative Exhibit to be held October 17th, 18th and 19th, Pyramid Temple Mosque, 1035 State Street, Bridgeport, Connecticut.

All available space was disposed of to members within a period of three weeks. There will be about one hundred fifty different lines of materials shown featuring: small tools, electrical equipment, platers supplies, tool steels, machine tools, varnish lacquer, forgings and castings, tungsten carbide metal, and general factory supplies and equipment.

Every superintendent, foreman, machinist, and others in the entire group of industries in Connecticut should try to attend this exhibit.

Many nationally known manufacturers will exhibit products of latest type and design. Admission free but by ticket only which can be secured from the Manufacturers' Association, Bridgeport, Conn.

### **New Combine in Naugatuck Valley**

Manufacturers in the Naugatuck Valley and throughout the state will be interested to learn of the recent purchase by The Seymour Products Company and its associate, The H. A. Matthews Manufacturing Company, of Seymour, of the Luggage Hardware Department of the Bassett Metal Goods Company of Shelton.

The sale which was effected early in September, covers the extensive line of luggage hardware, including stock, mechanical and finishing equipment, dies, trade marks and departmental business. The business in question will be operated by The Seymour Products Company as a separate division of its organization, maintaining the same policies of manufacturing and distribution which proved successful during the operation of that department by The Bassett Company.

Manufacturing operations will be continued for a few months in the factory of The Bassett

Company, pending changes in the plant of The Seymour Products Company, to permit the transfer of equipment from Shelton.

The Bassett Metal Goods Company, which is one of the oldest manufacturing organizations of the Naugatuck Valley, has been manufacturing luggage hardware, consisting of hinges, locks, draw bolts, snaps, loops, corners and other items over a period of fifteen years and is recognized throughout the trade as a leader in this accessory business.

The Seymour Products Company, which is a subsidiary of The Seymour Manufacturing Company, serves as an operating and selling company for The H. A. Matthews Manufacturing Company and The Seymour Metal Goods Company, concerns who have operated successfully as manufacturers of sheet metal products and devices during the past forty years.

The Seymour Products Company maintains offices in the Chanin Building, New York, and in addition to its latest line of luggage hardware manufactures and distributes tape sealing machines, stationery supplies and a rapidly expanding line of metal novelties.

### **Smith Succeeds to Railroad Post**

C. E. Smith, Vice-President of the New York, New Haven & Hartford Railroad, who has been assisting the president in engineering matters, succeeds Vice-President Nathaniel M. Rice, who died recently, as head of the Department of Purchases and Stores. He assumed his new duties on September 16 in addition to holding his post as engineering assistant to the president. Mr. Smith is a graduate of Massachusetts Institute of Technology and has had a wide engineering experience since his graduation in 1900, having been in the Bridge Engineering Division of the New Haven, and later with the United States Government, Lake Shore & Michigan Southern, the Missouri Pacific, and the C. E. Smith & Company, consulting engineers. During the World War, he served as a major in the Construction Division.

## **LEO F. CAPRONI & CO.**

### **ENGINEERS AND CONSTRUCTORS**

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*Specializing in the  
Design and Construction  
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Warehouses, Storage Buildings*

*Garages, Aircraft Hangars,  
Oil Stations, Railroad Buildings,  
Machine Shops, and  
Stone Working Plants.*

# The Investor's Pocket Manual

**T**HIS booklet contains the price records for 32 recognized Stock Exchanges, Curb Markets and Commodity Markets in the United States and Canada, besides the latest earnings, dividends, etc., as well as financial descriptions of the most important Railroad, Industrial, Public Utility, Oil and Mining Corporations.

The monthly and yearly comparisons of prices, dividends and earnings in "The Investor's Pocket Manual" are indispensable to the intelligent investor and trader.

*A copy may be had on request.*

## Paine, Webber & Co.

ESTABLISHED 1880

*Members New York & Hartford Stock Exchanges*

49 Pearl St., Hartford, Conn.

129 Church St., New Haven, Conn.

### Labor Leader Advocates Old-Age Pensions

Labor is strongly advocating old-age pensions and the five-day week for Connecticut. Future policies recommended by the Federation are: 1 — Support amendments to the Workmen's Compensation Law; 2 — Support of five-day working week; 3 — To work with those who advocate the elimination of child labor in industry; 4 — Provisions for greater assistance to widows and orphans in this state; 5 — Support of Old-age Pensions Law; 6 — Work for the organization of unorganized workers.

### Honer Made Advertising Manager of Fuller Brush Company

Fuller Brush Company, has been named as a successor to Everett R. Smith, who resigned to accept the position of secretary and general manager. Mr. Honer was formerly associated

Charles J. Moore, recently re-elected as president of the Connecticut Federation of

Labor is strongly advocating old-age pensions and the five-day week for Connecticut. Future policies recommended by the Federation are: 1 — Support amendments to the Workmen's Compensation Law; 2 — Support of five-day working week; 3 — To work with those who advocate the elimination of child labor in industry; 4 — Provisions for greater assistance to widows and orphans in this state; 5 — Support of Old-age Pensions Law; 6 — Work for the organization of unorganized workers.

William F. Honer, who formerly served for eight years as assistant advertising manager of the

with the editorial staff of the Hartford Times and the Courant. Subsequent to his local connection with Hartford papers, he became connected with the advertising department of the National Acme Company of Cleveland, Ohio, from which he resigned to enter the employ of the Fuller Brush Company.

### Cost Accounting Course to Start in October

A course in practical cost accounting will be started on October 2 at the Connecticut College of Commerce, 965 Chapel St., New Haven. Mr. W. C. Armstrong, Jr., treasurer of the Rockbestos Products Corporation, who has devoted over 20 years to the study of cost accounting, will conduct the classes. Mr. Armstrong proposes to attack the problem from a practical angle, emphasizing the necessity for reducing unfair competition by education. The tuition will be \$22.00 for each semester of 17 weeks, which is only sufficient to cover expenses. Classes will be held every Wednesday after October 2 from 7 until 9 P. M.

## Market



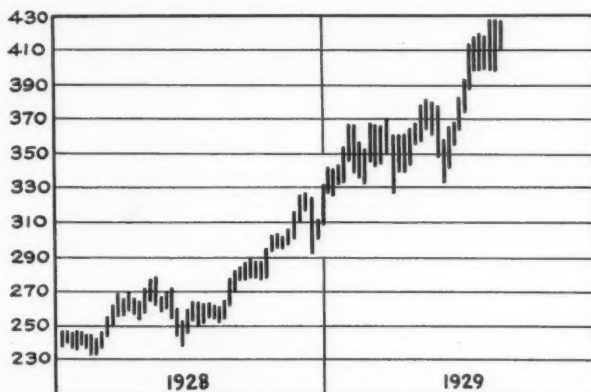
## Comments

Data contributed by Paine-Webber & Co., believed to be reliable, but not guaranteed.

## General Comment

Omitting a single break on August 9, precipitated by an unexpected lift in the rediscount rate of the New York Federal Reserve Bank, the price path of stocks has been generally upward for nearly three months. The advance in price levels since August 9 has been more rapid than during the preceding five weeks. Both industrial and rail averages have attained new historical tops within the past few weeks. Peak industrial stock prices have successively been recorded on January 2, May 4, August 3, and on August 22, this year. Dow-Jones industrial average on August 22 was 62.94 points, or 25% higher than on January 2, corresponding rather accurately with the 23% gain in net income of 600 industrial corporations in the first half of 1929 as compared with similar 1928 period.

Paradoxically, rise in rediscount rate accompanied by a decrease in bill rates and a building up of Reserve's portfolio of acceptances and Government securities, has lowered call loan charges in comparison with those obtained in the first seven months. While there is no assurance that current relative ease in call money will prevail indefinitely throughout Fall months, this situation has undoubtedly assisted recent advance in prices. Appraisal of business situation reveals no decided change from conditions existing in past few months and a brisk Autumn trade is generally anticipated. The business trend was on the up grade during the



This chart shows New York Times industrial stock prices in weekly ranges, from the beginning of 1928 through week ended August 17, 1929. General trend has been distinctly upward throughout this 19½ month period, gain since beginning of 1928 amounting to some 180 points, or roughly, 75%. Break in June, 1928, clipped nearly 40 points from the average; December, 1928, break took off 38 points from the average; and May, 1929 break also resulted in a 38 point loss. In each of these setbacks, market immediately responded with higher prices than ever. Note that weekly price ranges during 1929 have generally been greater than during 1928.

entire year of 1928, but it is doubtful if the final quarter of 1929 will show the same expansion over the same 1928 period as was disclosed in the first 3 quarters of 1929.

Formation of "nucleus" companies, such as United Corporation and Commonwealth & Southern in the utility field, a host of investment trust organizations in special and general fields, Curtiss-Wright in aviation

field, Allegheny Corporation in railroad field, along with realignments among food and merchandising companies, has resulted in taking out large blocks of stock from market's floating supply. This has created a technical situation unlike anything known in the past, and accounts for erratic price fluctuations in selected issues. Much of this stock has been purchased from a distinctly long-pull point of view, but price advance has been helped along by great body of speculators who have no thought other than to pass along their marginal holdings to others at a higher price.

Allowing for "new era" methods of evaluating stocks, and admitting present prosperity has gone far beyond anything in past periods, we cannot escape conclusion that hazards in holding stocks speculatively are increasing. From here on, stock price advances must be predicated chiefly in relation to the longer-term future of developing industries, or thought that the momentum of current swing will carry prices forward. Such a policy does not allow for a possibility of sharp intermediate down-



swings, which, though satisfactory in calculations of those having a long-pull viewpoint, would adversely affect the speculatively minded.

Summarizing, the present may be regarded as a latter stage in a 7-year bull market, and as a "negative" in its nature, it is mainly propelled by temporary absence of serious obstacles. This does not mean, of course, that higher prices will not be realized in weeks just ahead, nor that special issues cannot make progress, but rather that risks are mounting. Groups which now appear to represent the soundest values or have the season in their favor are railroad, merchandising, oil, motion picture, radio, and food. Specific suggestions illustrative of these groups are: Baltimore & Ohio, St. Louis-San Francisco, Union Pacific, Kroger Grocery & Baking, Drug Inc., First National Stores, The Fair, Safeway, Standard Oil of New Jersey, Texas Corporation, Shell Union, Sinclair, Gold Dust, General Foods, and Standard Brands.

#### Some Market Anomalies

The net working capital of American Woolen is sufficient, after deducting bonded debt of \$13,063,000, to allow an equity for the preferred stock of about \$94 a share. This allows nothing for depreciated plant assets of \$51,970,843 as of the close of 1928, equal to over \$100 per share preferred additional. There is now \$15¾ of back dividends on this issue. Yet the market's appraisal of this stock is but \$38 a share. True that 1928 operations resulted in a loss of \$1,262,263. This demonstrates that earnings and trends of earnings rather than asset values are the prime determinants of market values. A base exists here, however, for market exploitation, should real improvement develop in the industry.

By selling stock dividends of 10%, North American stockholders can realize a return of about \$18 a year at this time. In fact, yield is always 10% computed in this manner. Yet, North American's cash earnings in 1928 were but \$4.51 per share.

Railroad stocks are selling from 10 to 13 times earnings. It is an old-established, solid business, operating under semi-monopolistic conditions though under competent Government regulations. Aeronautical stocks, selling at 20 to 30 times earnings are representative of a new and struggling industry, in which competition is fierce. Mail-carrying rates are also established by the Government. This industry

is bound to go through the same labor pains as was witnessed in other new industries, e. g., motor, radio, and motion pictures, with many units falling by the wayside.

Consolidated Cigars and Westinghouse Electric contrast dramatically the fortunes of two individuals who might have held first and second of these issues from January 2 until now. At the beginning of the year Consolidated Cigars closed at 95 7/8 and Westinghouse at 143. The former is down nearly 30 points, or one-third in value, and the latter is up 150 points, or 100%. Yield on first has been over 7%; yield on latter is now less than 1.1%. Answer lies in the difference between a growing fundamental industry and a somewhat decadent one. Consolidated Cigars earned \$3.88 in the first 6 months of 1929, against \$4.66 in same 1928 period. Westinghouse earned \$4.92 in first half of 1929, compared with \$3.31 in corresponding 1928 period.

#### New Highs Since Discount Rise

Stocks exhibiting greatest current public preference may best be indicated by determining the extent of price advance since day before New York Federal Reserve bank increased its rediscount rate. In points, Allis-Chalmers, U. S. Steel and Westinghouse Electric have scored highest gains since closing prices of August 8, as shown by a following list. In each of these 19 instances, without exception, a higher top has been attained since rediscount rate rise than before. Allis-Chalmers has enjoyed a maximum gain of 59 points between low of August 9 and its recent top.

Stock	Closing Price Aug. 8	Previous 1929 Price †High	Low Price Aug. 9	Max. Price Since Aug. 8	*Price Advance Points—%
Air Reduction .....	176¾	181¾	168¾	199¾	23 13
Allis-Chalmers .....	268	284½	271	330	62 23
Am. & Foreign Power .....	141¾	147	129	155	13¾ 9
American Can .....	167	170	156½	183¾	16¾ 10
Am. Tel. & Tel. ....	281	292	266	299	18 6
Atchison, Top. & S. F. ....	275¾	277	263	282½	6¾ 3
Bethlehem Steel .....	123¾	125¾	118¾	139¾	15¾ 13
Commercial Solvents .....	485	492¾	451½	504	19 4
Consolidated Gas .....	161¾	164¾	152¾	182	20¾ 12
General Electric .....	385	396	365¾	403	18 5
Gillette Safety Razor .....	125¾	129¾	120¾	142¾	17 13
Int. Tel. & Tel. ....	115¾	119¾	110	135½	19¾ 17
National Power & Lt. ....	70¾	70¾	66¾	71¾	1 1
Norfolk & Western .....	254	263	246¾	271	17 7
Union Pacific .....	269	276¾	262¾	289½	20½ 8
U. S. Steel .....	220¾	221¾	213½	252¾	31¾ 14
Westinghouse A. B. ....	54¾	55¾	51¾	67¾	13 24
Westinghouse Elec. ....	233¾	241¾	221	292½	58¾ 25
Worthington Pump ....	79	79¾	75¾	101	22 28

\*Compared with August 8, closing.

†Prior to Aug. 8.

‡Day after N. Y. Federal Reserve bank advanced rate to 6%.



## Protection *for your* Earnings

By JOSEPH D. LEAHY

common to carry life insurance against the loss of brains, there are still firms that have not worked out an insurance program which includes the guarantee of the continuance of income which would have been earned had not fire or some other unforeseen disaster so damaged or destroyed the property that it could not be employed for the time being.

Such insurance of earnings is granted by the

**E**ARNINGS, the basis of capitalization in many a corporation, and a basis for market value of stock in nearly every case, may be insured. They need not be cut down nor entirely cut off by fire, explosion, riot, civil commotion or windstorm. When such a catastrophe reduces or dries up the usual source an insurance company may be called upon for a substitute supply.

In manufacturing it is the combination of brains and property which produces the earnings — earnings to meet fixed charges and earnings which are labeled profits and may be retained as reserves and surplus or disbursed as dividends.

While it has been customary for generations to insure against the loss of the property itself and it is becoming more

Mr. Leahy, in his position as Assistant Secretary of the Travelers Fire Insurance Company has occupied a "ring-side seat" in many a battle with flames where profits running into thousands of dollars have taken the count.



The fire that destroys buildings and machinery can also eat up your earnings.

same fire insurance companies which insure the property itself and is variously termed Use and Occupancy or Business Interruption Insurance. Under the terms of such insurance an income of so much per day is payable for the period required to put the plant back into production.

While not at all new, Use and Occupancy Insurance, as it is more often called, is not as generally understood as one would expect in view of the attention given to earnings by manufacturers, bankers and investors generally. In fact, many business men have failed to take stock of the losses, other than property losses, which a fire, an explosion or a windstorm would entail. They have not taken note of the fact that many fixed charges under various forms of contracts, that some sal-



aries, practically all interest charges, many service charges and miscellaneous expenses would continue even though a plant were made idle by its partial or total destruction.

A plant catastrophe may not cut off expenses but it is usually very effective in cutting off income. Insurance is obtainable to pay a substitute income and provide for the payment of these expenses and also to provide for the payment of normal profits until the plant can be put in operation again.

Some of the fire insurance companies provide handy forms on which the accounting department of any factory can quickly calculate the amount of such insurance which should be carried.

The rate for Use and Occupancy Insurance is usually lower than for property insurance.

Even though property values may have been adequately covered and after a fire the newspapers may have reported that the "loss was fully covered by insurance", a plant which sustains a fire and on which no Use and Occupancy Insurance is carried has to resume operations with a serious financial handicap or else is not able to resume at all.

Even though Use and Occupancy Insurance gives to business a form of protection which it needed for many years, there still are losses against which no insurance is obtainable—losses which continue to make it more profitable to prevent fires than to have them. Among these are customers who, during the period of non-production, went to competitors—customers

who will never return or who in the future will divide orders that once went to one manufacturer.

In many lines of manufacturing, raw stock has to be stored in considerable quantities and is not replaceable quickly in event of destruction by fire. In such lines of business it is important to see that the form of Use and Occupancy Insurance covers against the suspension of operations due to the destruction of raw materials, as well as against suspension due to the destruction of machinery or factory building.

In lines of business where seasons make it necessary for a manufacturer to accumulate finished product, adequate protection against fire can only be secured by adding Profits Insurance, as well as Use

and Occupancy Insurance. This is designed to supply the income earned daily by the continuous production of a manufactured article whereas Profits Insurance is designed to insure against the loss of potential profits that are

being accumulated in a warehouse or warehouses in the form of finished product.

Many manufacturers have found that through Use and Occupancy Insurance, as well as other forms of insurance, they could get rid of certain loss-promising risks and in their place assume other risks which promise to make additional profits. Use and Occupancy and Profits Insurance have made it possible for many manufacturers to expand at opportune times and help in another way to attain and maintain prosperity.

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**A plant catastrophe may not cut off expenses but it is usually very effective in cutting off income.**

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## CONNECTICUT INDUSTRY

*will be placed on all club cars of the New Haven system on or about October 15th. This arrangement will afford a closer contact with Connecticut industrial affairs for thousands of travelers who are passengers on New Haven Railroad club cars*

### WATCH FOR

*the Connecticut Industry binder when you ride on club cars after October 15th.*



### How Funds are Remitted in Foreign Trade

quite a development not only in the volume of export trade, but in the methods used in carrying out this vast business. The attitude of looking upon foreign fields as a dumping ground for excess and inferior products has since passed into the dust which such a policy was bound to raise in its wake, and there has come the period of adjustment of viewpoint and methods not only on the part of manufacturers and exporters but on those whose job it is to assist them in the development of their foreign business, their bankers.

Prior to the war and immediately thereafter the average American bank was as green in the foreign field as the average manufacturer, and the policies and methods in use although satisfactory for domestic trade were inadequate to handle the tremendous increase in volume and complexity which arose from our new status as the leading export nation.

General conditions have greatly improved since then, the methods of foreign banking have been greatly standardized and placed on a basis comparable with those prevailing in the domestic end. The question of violently fluctuating foreign exchange, which made foreign business very much of a gamble, is a thing of the past in most currencies, as with the exception of very few, they have been stabilized at various fixed points with little or no fluctuation of

Since the hectic years of the postwar period in the export field, there has been

**Manufacturers engaged in developing their export trade will be interested in this elementary exposition of the manner in which foreign banking operations are conducted, and their relation to and effect upon the exporter and his business.**

This article, taken from *Export Trade and Finance* of August 31, explains how payments made by foreign customers are remitted to manufacturers as compared to the methods used in domestic business, and is written by N. J. Girbau of the foreign offices of one of New York's leading banks.

great consequence. This in itself has served to eliminate one of the features of foreign trading which acted as a deterrent to many from entering into the export business and caused some to leave it. A burnt child dreads the fire.

This article is written with a view to explaining the simplest phase of the elemental features of foreign trade financing and its particular relation to exporting—the remitting of funds.

Most of the banks which deal with international trade maintain accounts in foreign currencies with correspondent banks throughout the world.

From the funds which it has on deposit with a correspondent bank abroad (which account is similar in all respects to an ordinary checking account which the average man maintains with his bank), the bank may sell part of such funds to its customers should they desire it. The usual means is by giving to the customer

its check on a bank abroad for the amount of foreign currency which the customer may want, payable to whomever the client may designate. As foreign currencies differ in value from each other, just as any commodity differs from another, there will be the question of how much of one must be given for the other, or how many dollars must be given to the banker for, say his check for Five Hundred Pounds Sterling. The ratio between the two, that is the number of dollars which the client pays for the given number of pounds sterling is the rate of exchange—at present,

about \$4.85 for each pound sterling.

The next question is — How does the bank arrive at the price, i. e., the rate of exchange? Foreign currencies are commodities and as such are dealt in, like wheat or corn or cotton. Basically they are bought and sold because some one needs to buy some for his requirements or has more on hand than he needs and therefore has an excess for sale. But just as in the grain or commodity market, there are purchases and sales by persons who never have seen a bushel of wheat or a franc note, and who trade for speculative purposes. This feature has greatly diminished because the stabilizing of most currencies has reduced fluctuations in prices to such an extent that there is little opportunity for much profit, and at present the majority of purchases and sales are based on actual business needs.

Although in principle a commodity, there is no actual trading exchange, such as the Wheat Pit, for trading purposes. In a market like New York, the buying and selling in sizeable amounts is done between banks and certain firms, through the intermediary of foreign exchange brokers. These brokers have direct telephone connections with most of the banks who have any volume of foreign exchange transactions and ascertain from the banks what they have for sale or what currencies they wish to buy. If a certain bank has an excess of funds in its account in London and wishes to dispose of some of its pounds sterling it will tell the broker that it is willing to sell so many pounds. The broker will then try to get a buyer for them at the price which the bank asked or if unable to after communicating with several banks, he will notify the selling bank of the best price which he can get. If the price is met, the broker notifies the banks involved of the fact and it is later confirmed by written slips. It is these trades, which are usually on a wholesale scale, which determines the rates of exchange and it is on the basis of these rates that a bank will quote a price to its customer when the latter wishes to buy a draft in foreign currency. The same basis is used should the customer wish to sell a draft in foreign currency to the bank.

In addition to the trading which may go on between large buyers and sellers in a city like New York, through the foreign exchange brokers, there also is the simultaneous trading which is going on similarly in other cities, like London, Paris, Madrid, Berlin, etc., and also the trading which there is between such centers.

The larger banks maintain offices or representatives in a good many of the principal cities abroad and buy and sell through those offices also. All the world markets are in extremely close touch with each other and with the present cable and wireless facilities it is possible to exchange messages between cities like London and New York in less than three minutes, via special wires. This closeness of contact helps materially in keeping rates of exchange on an even footing throughout the world and to insure an open market for the sale and purchase of foreign currencies. Of course, in all this buying and selling very little of it is in actual currency, such as dollar bills or franc bank notes, but rather is effected by one bank transferring part of its balances which it may maintain in the currency involved, to the buying bank which will also have an account in the country where the particular currency is current, such as pounds sterling in England, etc. These transfers from one bank's account to that of another are usually effected by cable. The selling bank will instruct its correspondent in London in the case of a sale of pounds sterling to pay the sterling amount to the buying bank if the buying bank is located in London, or to the buying bank's London correspondent.

In addition to disposing of foreign currency funds by means of a check against its accounts abroad, a bank will also effect transfers by what is generally called a "Mail Transfer". This consists of the bank writing to a correspondent abroad to pay a certain sum to a specified party. It is used principally for making payments to individuals in places where the banking facilities may not be adequate or the party not able to cash a check. There is also the "Cable Transfer" which is similar to a "Mail Transfer" except that the instructions to pay go forward by cable or radio. This manner is used when it is desired to have a payment made quickly.

Through maintaining accounts in foreign currency in various countries a banker is able at a moment's notice to meet any foreign exchange requirement which any of his customers is likely to have. He is able to supply foreign currency to his customers should they wish to remit funds abroad or to buy from his customers foreign currency which they may have received in the course of their business and which they wish to convert into dollars.

The methods and arrangements necessary to carry out extensively the foreign exchange functions in an efficient and expeditious manner have

gone through many steps of progress to the extent that at the present time very few difficulties of any kind are encountered in a well-run bank, in its daily operations. It can be depended upon to undertake and fulfill its client's orders in a manner which not so many years ago would hardly be expected.

**Moral Obligation of  
Exporter for Losses  
Sustained by Foreign  
Customers**

A member of the Association manufacturing and exporting electrical wiring devices recently had the misfortune of discovering through the Department of Commerce that one of his agents in Latin America had been jailed for the misappropriation of funds, including a payment made to the agent by a customer in his territory toward an amount due to the Connecticut manufacturer. The manufacturer's suspicions were aroused by the fact that no communication had been received from the agent for several months prior to and subsequent to the date on which notice was received from the customer that payment had been made to the agent.

Feeling that the agent had been given a certain standing in the eyes of the trade, the manufacturer expressed a desire to the Association's Foreign Trade Committee to learn the attitude of the average manufacturer in a situation of this kind.

A summary of the opinions of the members of the Foreign Trade Committee may enable other Connecticut exporters to avoid similar pitfalls.

One member of the Committee feels that the agreement between the manufacturer or principal and the sales agent defines the extent of the exporter's responsibility for credits and credit losses. Very often when a manufacturer appoints a combination export manager, the sole responsibility for credits is left to the manufacturer. The latter's decision takes into account any recommendation by the export manager. If the agent were considered a part of the official family, practically as a member of the organization, he should feel a definite responsibility for his actions and have at least a moral obligation which would prompt him to offer to reimburse the manufacturer for such a loss. If the agent's relations with the manufacturer were such that the latter appreciated his position, the agent could then decide whether or not to accept an offer to make good or to share the loss.

Another member of the Committee is of the opinion that the subject has a legal aspect and that the ultimate decision in the matter may resolve itself around the laws of the country in which the trouble has arisen. Assuming that the agent has been selling on a commission basis and provided a sufficient sum for commissions is still due him which would offset the amount paid by the customer, which seems unlikely, the matter could be easily settled by debiting the agent's commission account. On the other hand, if the agent's commission account has already been paid up and the amount involved is not substantial, the manufacturer may value the customer's trade sufficiently to write off the sum to selling expenses. The first thought of this member of the Committee would be to retain the good graces of the customer.

A third member of the Committee, one who is especially well versed in the financial phase of exporting, entertains no doubt but that the manufacturer is obliged to stand the loss if the agent was given authority to collect monies for the account of the manufacturer. On the other hand, if the importer made payment to the agent with full knowledge that the agent was not authorized to accept such payment for the account of the manufacturer then, in his opinion, the loss should be borne by the purchaser although the terms of sale would have considerable bearing on this point.

Still another member of the Committee feels that if the agent has been acting in the capacity of a manufacturer's representative, soliciting business for the manufacturer on a commission basis and regularly effecting collections for the manufacturer, it would seem quite likely that the event had created a certain standing in the eyes of the trade that might morally obligate the manufacturer to make good the loss. If, however, it had not been the general practice of the agent to effect collection for the manufacturer but in this one instance he had done so as a convenience to the manufacturer's customer, the situation would be somewhat altered. This Committeeman's own company does not allow any of its agents to take care of collections for their accounts unless they are absolutely certain of the integrity of that agent and they are particularly careful in the case of certain Latin American countries in view of the credit risk involved.

**Annual Meeting  
October 8, at 9 o'clock**



# TAXATION DEPARTMENT



## Municipal Government Costs in Connecticut

The growing cost of municipal government in Connecticut, and the increasing spread between revenue income and expenditures, is strikingly shown in a summary table in the quadrennial report of indebtedness, receipts and expenditures of municipalities, recently published by the state tax commissioner. The totals of this table are given below. These figures are not all-inclusive, because the statute does not require reports of school, sewer, lighting or improvement districts; but in broad outline they approximate the true picture closely enough to permit of certain general, and somewhat disquieting, conclusions.

	INCOME	
	For fiscal years ended next prior to Oct. 8, 1928	For fiscal years ended next prior to Oct. 13, 1924
Receipts other than borrowing	\$80,073,482	\$64,780,097
Receipts from borrowing	41,725,462	30,551,156
Total	\$121,798,944	\$95,331,253
DISBURSEMENTS		
Other than for interest-bearing indebtedness	\$90,868,080	\$66,713,027
For interest-bearing indebtedness	32,146,392	26,798,131
Total	\$123,014,472	\$93,511,158

The table, Commissioner Blodgett states, "shows certain trends in municipal finances during the last four years which are not healthy. During this four-year period, municipal expenditures (excluding debt reduction) showed a percentage of increase which is more than four times the percentage of increase of the population of the state". Municipal expenditures increased in that time by about 36¼% while the estimated population of the state was growing only about 8¾%.

One of the most distressing evidences brought to light, the report points out, is the increasing disparity between governmental expenditures and revenue income. In 1924 the municipalities showed government expenditures of \$66,713,027 as against revenue receipts of \$64,780,098, a difference of less than two millions of dollars. In 1928 municipal government

expenditures exceeded revenue income by over ten and three-quarters millions of dollars — an increase of five and one-half times in the spread between revenue income and outgo. This would not indicate that the municipalities of the state as a whole are on a pay-as-you-go basis. Likewise it is apparent that municipal expenditures are increasing at a much more rapid rate than tax receipts and grand list.

Some interesting side-lights on the sources of municipal revenues and the allocation of expenditures is contained in this report. Excluding debt, about 84% of municipal income in 1928 was derived from taxes. Proceeds from public service enterprises, the second most important source of revenue, produced about 5 2/3 % of the total. The third most important revenue source was state aid and receipts from other municipalities, which amounted to less than 4%.

About two-thirds of all municipal disbursements both in 1924 and 1928 (excluding debt reduction) were for four purposes — education, highways, protection of person and property, and outlay for public land and buildings. Education, which absorbed more than highways and protection combined, accounts for around a third of the total disbursements, exclusive of debt reduction; although the ratio decreased from approximately 33½% in 1924 to about 30½% in 1928.

## Federal Tax Revision Probable

The Federal Treasury closed the fiscal year on June 30 with a balance of \$185,000,000. This and other factors look favorable for a program of tax revision when Congress convenes in regular session in December, according to the feeling in many quarters.

## Dull Moments

will be unheard of at the coming Annual Meeting on October 8.

# A Plan to Boost Foreign Trade

## The Plan

Connecticut manufacturers are offered the opportunity to share with fifteen others a full-page advertisement, similar to the accompanying half-size sample proof, to be inserted in an export journal, with a foreign circulation of 45,000 buyers, published monthly, in three languages.

## The Background

The plan is based on the unprecedented results attained through a previous experiment in group advertising in the same medium, which accounted for 107 different inquiries for 156 Connecticut-made products from 35 different foreign countries with whom 400 Connecticut manufacturers are now negotiating.

## The Purpose

The plan represents a concerted effort to expand foreign trade in Connecticut by a practical, economical and productive method. That foreign trade must be developed to its maximum and without delay is a foregone conclusion in the opinion of the Board of Directors, who are keenly aware of the growing disadvantages with which manufacturers in this state are being confronted in competition with other sections of the domestic market.

## The Advantages

New world markets will be opened for old exporters;

old, established world markets will be opened for new exporters, at half the cost and sixteen times the effectiveness of individual, non-concerted effort. Manufacturers who participate will see their products, slogans, trademarks, and name appear before the eyes of the foreign buying world, just as they want them.

## The Investment

Participation for twelve consecutive months calls for \$21.88 per month at the time of each monthly insertion or \$262.44 at time of first insertion less 5%.

Participation for six months costs the same per month (\$21.88), or \$131.22 at the time of the first of the six insertions, less 5%.

Participation for one month only can be accomplished for \$21.88. Equivalent space, one-sixteenth of a page, when inserted individually in the same medium costs about \$43.00.

## The Message

Separating the space occupied by the sixteen participants is a message to the foreign buyer, thoroughly acquainting him with Connecticut, emphasizing the diversity and quality of her products and calling attention to her proximity to New York Harbor. The map also shows the location of the Connecticut plants of each of the six-

(Continued on page 32)

January, 1930

AMERICAN EXPORTER

**ICY-HOT**  
REG. U. S. PAT. OFF.  
Guaranteed  
Vacuum Products  
American Thermos Bottle Co.,  
Hartford, Conn., U. S. A.

The Mark That  
Identifies  
Good Brass  
and Copper  
Products  
**CHASE**  
Chase Brass & Copper Co.,  
Worcester, Conn., U. S. A.

**CHENEY SILKS**  
Cheney Brothers  
So. Manchester, Conn., U. S. A.

**COLT'S FIRE ARMS**  
American Wadsworth  
Machine  
Co.  
Vicksburg, Miss., U. S. A.  
Colt's Patent Fire Arms Mfg. Co.,  
Hartford, Conn., U. S. A.

**ELECTRICAL SUPPLIES**  
Connecticut Electric Mfg. Co.,  
Bridgeport, Conn., U. S. A.

**CORBIN**  
LOCKS AND  
BUILDERS' HARDWARE  
P. & F. Corbin,  
New Britain, Conn., U. S. A.

**Hartford**  
Storage Batteries  
For  
Automobile and Radio  
Hartford Battery Mfg. Co.,  
Middletown, Conn., U. S. A.

**Bristol**  
Steel Fishing Rods  
Horton Mfg. Company,  
Bristol, Conn., U. S. A.

*The Name Seems Familiar*  
**CONNECTICUT**

—You have seen it on many  
manufactured articles, but

### WHAT DOES IT REPRESENT?

—geographically speaking:  
It is but one of 48 states that go to make  
up one of the many nations of the world,—  
but—it is located within overnight shipping  
distance of the largest seaport in the world

—historically speaking:  
Once a colony, it then became one of the  
thirteen original states of a young republic  
whose products are now in everyday use in  
all corners of the globe.

—commercially speaking:  
Because of its seaport location, its citizens  
prize the tradition handed down from their  
earliest seafaring ancestors—a commercial  
tradition that knows no national boundaries  
—the heritage of two centuries of trade with  
every country in the world.

—industrially speaking:  
Connecticut, the cradle of American  
industry, still sets the pace. From its  
early days of man and water power  
down through its present era of mass  
production, its manufacturers have  
taken just pride in their ability to  
produce articles of superior quality. There  
is scarcely an inhabitant of the civilized  
world who does not depend in some way  
on a product of Connecticut in his  
everyday life—scarcely an article re-  
quiring a high degree of manufacturing  
skill that is not made in Connecticut.



The articles listed—  
**The Best in their Line**  
are a few of the thousands of every de-  
scription manufactured in Connecticut and  
in use the world over.  
Catalogs, prices and details may be had by  
addressing the makers, or  
**THE MANUFACTURERS ASSOCIATION**  
OF CONNECTICUT, INC.,  
Hartford, Connecticut, U. S. A.  
Cable address: MANFASCONN

**HOTCHKISS**  
Paper Fastening  
Machines & Staples  
E. H. Hotchkiss Co.,  
Norwalk, Conn., U. S. A.

**Mephisto Tools**  
W. A. Ives Mfg. Co.,  
Meriden, Conn., U. S. A.

**MALLORY**  
FUR FELT  
AND  
STRAW HATS  
Mallory Hat Company,  
Danbury, Conn., U. S. A.

**Palmer**  
BED COMFORTABLES  
FURNITURE PADS  
Palmer Brothers Co.,  
New London, Conn., U. S. A.

**PETRO**  
OIL  
BURNERS  
Petroleum Heat & Power Co.,  
Stamford, Conn., U. S. A.

**SEAMLESS**  
Household, Industrial & Surgical  
Rubber Goods  
Adhesive Plaster—Combs  
Water Bottles  
Seamless Rubber Co.,  
New Haven, Conn., U. S. A.

**Williams**  
Shaving Cream  
Shaving and Toilet Soaps  
Toilet Preparations  
J. B. Williams Co.,  
Glastonbury, Conn., U. S. A.





#### New Haven to Spend Millions for Improvements

"The direct relationship between railroad rates and railroad service was never more clearly shown," says a statement issued by the New Haven Railroad following a recent meeting of the directors in New York, "than in the decision of the company to spend five million received in increased revenue (after taxes) from the New York commutation rates settlement of the company's claim as to the so-called Canadian route traffic and the back mail pay award." This is a part of a special eleven million dollar improvement program. The money derived from passenger traffic will be spent to furnish more comfortable passenger service, and the money derived from freight traffic, to provide more efficient freight service.

This program includes the following improvements: four all-steel diners (in addition to six included in a previous order); the laying of an additional 20,000 tons of 130 pound rail this year; stone ballasting of 40 miles of line; elimination of reverse curve at Sachem's Head; improvement of South Station, Boston; improvement of New Haven passenger station; and an increase in freight car re-building program.

Increased freight revenues have resulted in the first six months of 1929 due to the fact that the New Haven Railroad carried 295,832 tons more freight in all classes than during the first half of 1928, or a total volume for the first six months of the current year of 14,409,250 tons as compared with 14,113,418 tons for the first six months of last year.

Manufactured and miscellaneous products which class includes nearly half of all the freight carried by the New Haven increased more than 5% during the six-months period, while the products of agriculture, including all grown products with the exception of timber, gained nearly 4%. Slight reductions in volume were recorded in animals and animal products, products of forests and products of mines. The latter class, comprised chiefly of coal,

amounting to 4,543,245 tons which is 12,317 tons less than in the first six months of last year. Gains were made by the New Haven in carload and parcel (less than carload) freight. Of the total tonnage mentioned above, 13,200,101 tons were transported in carload lots. This compares with a total of 12,923,484 tons carried during the first half of 1928. Less than carload freight increased from 1,189,934 tons in the first six months of 1928 to 1,209,250 tons in 1929.

#### Advocates Opening Eastern Class Rate Case

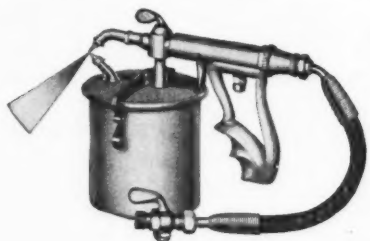
Reopening of the Eastern class rate case and the iron and steel rate case recently concluded by the Interstate Commerce Commission was advocated at a general meeting of representatives of industrial and commercial organizations held under the auspices of the Philadelphia Chamber of Commerce. Speakers at the meeting asserted that the recommendations of the examiners in these cases would work to the advantage of Baltimore and to the detriment of Philadelphia. Organizations represented at the meeting were urged to join the railroads in seeking a reopening of the cases to protect Philadelphia trade.

#### Pneumatic Spray Gun for Stenciling

One of the latest innovations in the shipping room is the application of pneumatic spraying equipment to stenciling work. Because of the high speed possible to attain in working with this equipment and the quick drying qualities of the paint used the spray gun seems very desirable for this purpose in many instances. Steel plants particularly should find it desirable in view of the large amount of material moved and the difficulty in stenciling on oiled material.

Pictured on the next page is a well known and moderately priced sprayer adaptable to this use. The sprayer operates by a trigger control and when attached to air supply will apply any liquid material easily and quickly.

The hand piece is removable and may also be used in cleaning otherwise inaccessible places.



The name of the manufacturer may be had on request.

#### Better Shipping Orders

One of the constant sources of trouble, according to frequent statements of freight agents, is the poorly made out shipping order. Poorly made shipping orders often delay shipments and promote error. The order should make it clear just what the carrier is expected to do. Typewritten shipping orders, free from the peculiarities of hurried hand-writing, would be of great assistance, but if shipping orders must be made out by hand they should be clearly set forth.

The use of trade names in describing articles is also a bad practice. Each article to be shipped should be marked under its known name in the classification. If there is any doubt as to its classification the agent should be consulted since his lesser knowledge of what the article is may be the cause of its being put in a higher class which in turn causes the shipper to lose money.

#### Container Service and Rates

Container service, subject to rates which are proper and lawful, in the opinion of Examiner Harry C. Ames shown in a proposed report in No. 21423, the Commission's container service investigation, and I. & S. No. 3198, merchandise and steel shipping containers between St. Louis, Missouri, and western and southwestern points, is

in the public interest to a limited extent. The rates in existence and those proposed, in his view, are not only unlawful but improvident because they are out of harmony with Section 15-a.

Examiner Ames found that the railroads made a sacrifice of 50% of the revenue they would otherwise have received had the shipments been made in regular less-than-carload service and that only 15% of the sacrifice went to the owner of the goods, or as he chose to call them, "the real owners." The remainder of the money went to the forwarding company which had solicited the freight, collected it, brought the container loaded with the freight to the railroad, loaded it upon the car, and then distributed it at the destination to the various consignees. In addition, the forwarding company made out the necessary inside billing and collected the freight money from the shippers.

"The reductions to the shipper generally speaking," says Examiner Ames, "are based upon varying percentages of the class rates, beginning at 10% on first-class and scaling down to 4% on fourth-class."

Summarizing the case still further Examiner Ames points out that "the predominating objection to container service is the rate structure which accompanies it. It is true that certain operating witnesses doubt the wisdom of expending money for a new type of equipment in view of the fact that the present box car equipment is more than sufficient to meet existing demands. It is true that certain localities are fearful that container service might hurt their chances of competing against larger cities which have more tonnage available for container movement. It is also true that many interests opposing the service are fearful of the power it places in the hands of the forwarding companies. But the rates are the vital objection, none the less.

"Upon careful consideration of all the evidence and the briefs and arguments in support thereof three propositions stand out. They are:

(1) Subject to certain suggestions container service as now operated and as proposed to



BRIDGEPORT, CONN.  
NEWARK, N. J.

**FLETCHER - THOMPSON, INC.**  
*ENGINEERS* *ARCHITECTS*

SPECIALISTS IN INDUSTRIAL PLANT DESIGN FOR 20 YEARS

be extended in eastern territory is desirable in the public interest, except

(2) That the rate structure applicable to it is wrong in principle and unlawful, and

(3) That the present conditions in Western territory do not warrant the establishment of the service at this time."

There is no question many shippers claim but that the container is a splendid piece of equipment. The one item of elimination of loss and damage claims on the traffic handled would recommend it. In the entire history of its operation, seven years on the New York Central, over one year on the Lehigh Valley and about 8 months on the Pennsylvania, computed as at the time of hearings, not a single claim for loss and damage on container traffic had been presented. In *Pneumatic Scale Corporation vs. A. & R. R. R. 57, I. C. C. 308,309*, the Commission said:

"We have had occasion to comment in other proceedings upon the waste brought about by loss and damage in transit, and the seriousness of this problem is increasing rather than diminishing. Anything that can be done to reduce such loss and damage is manifestly in the interest of carriers and public alike."

Witnesses for several large shippers testified in this case that they would be willing to use containers even though they had to pay the regular L. C. L. rates. They further indicated that the advantages accruing to them through the elimination of packing, expedition and service and the knowledge that the shipments would arrive at destination assembled in one lot put container service at a premium. From the many points brought out as to the advantages of the container many authorities claim that container service should stand on its merit as a facility of carriage and urge to its use rather than be sold on an unfair rate basis as shown in Examiner Ames' report.

In conclusion Examiner Ames believes that the Commission should find:

(1) That container service for the interstate transportation of less-than-carload, or mer-

chandise freight, subject to rates which are proper and lawful, is desirable in the public interest.

(2) That the present interstate rates published by the New York Central, Lehigh Valley and Pennsylvania, and the interstate rates proposed to be established by the two lines first named and certain of their connections, are and would be unreasonable, and unlawful in violation of section 1, unjustly discriminatory in violation of section 2, are plainly open to attack under section 3, and are not and would not be in harmony with the provisions of section 15a of the Interstate Commerce Act.

(3) That the proposed interstate rates of respondent, Missouri Pacific, would be unreasonable and unlawful in violation of section 1, unjustly discriminatory in violation of section 2, and would not be in harmony with the provisions of section 15 a of the Interstate Commerce Act.

(4) That the tariffs of the eastern respondents in which they are proposing to extend container service throughout central territory and the tariff of the Missouri Pacific proposing to establish container service in western territory, as herein defined, are not justified and will be required to be canceled.

(5) That the findings as to the proposed tariffs of the eastern respondents are without prejudice to the establishment of container service in the territory hereinbefore indicated, subject to third-class rates on the net weight of the container content and subject to the further proviso that in no event shall the container rate be lower than the contemporaneous carload rate on any commodity loaded in the container, the inclusion of such commodities in mixed container shipments to control the rates on the entire mixture. The Commission should prescribe this basis as maximum and minimum.

*Remember*

**October 8 — Annual Meeting**

## THE MINOTTE E. CHATFIELD CO.

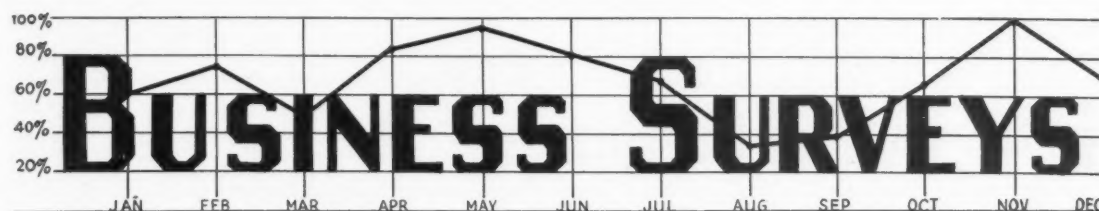
—NEW HAVEN—

### WRAPPING PAPER and TWINE MERCHANTS

*We carry a stock as  
complete as can be  
found in New England*

298-312 STATE STREET

Phones 3-7420, 3-7421, 3-7422



## Summary of General Business Conditions in Connecticut

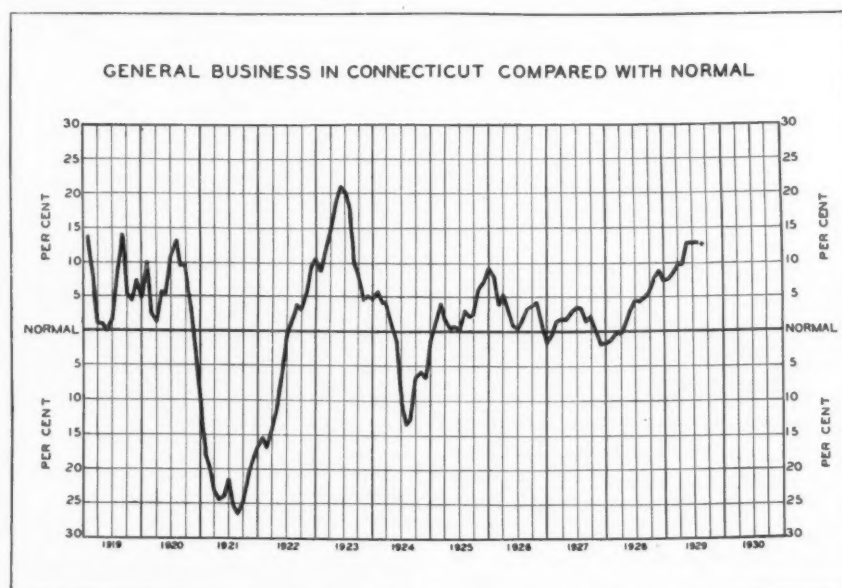
September 15, 1929

### General Summary

During August, general business in Connecticut receded slightly from the high level of the preceding two months. However, activity was maintained well above normal in practically all industries although, in a few cases, declines were shown as compared with the previous month. Man-hours worked in

tonnage carried by the New Haven Road. In regard to the general trend of business in the near future, data now at hand indicate that the peak of the present business cycle has been passed and that an orderly and gradual contraction is under way.

General business in the United States also declined in August due in part to a recession



Connecticut factories decreased whereas an increase over July has been customary in the past, and the number of car-loadings originating in Connecticut also fell off. Nevertheless, these declines were counteracted for the most part, as far as the general business curve is concerned, by sharp increases in cotton mill activity in Connecticut, in bank debits to individual accounts, and in the amount of metal

of activity in the iron and steel industry. That further declines in production in this industry are now in progress and are to be expected for a few months at least is evident from the sharp decline in the unfilled orders of the U. S. Steel Corporation in August and current reports on further decreases in the rate of output. August automobile production and cotton mill activity in the United States also moved lower when



compared with the usual seasonal trend and new orders for machine tools did not come up to the high level of preceding months.

#### **Banking and Finance**

During the four weeks ended September 14th, the number of new corporations formed increased 22% over the corresponding period a year ago while the total capitalization increased 117%. Failures in Connecticut were slightly more numerous than last year but were much smaller in size. Mortgage loans continued to run below a year ago and the number of real estate sales also fell off.

August sales of new ordinary life insurance increased over both the month previous and August, 1928.

#### **Construction**

Activity in the building construction industry in Connecticut declined in August but the total for the month was, with the exception of last year, the highest of any August on record. Contracts for commercial, industrial, and educational buildings were of large size; new contracts for residential buildings, and public works and utilities were normal for this time of the year. Several large projects were recently contracted for by Yale University; these included new dormitories, a new medical building and a new law school quadrangle, the total cost of which was estimated at approximately \$3,250,000.

#### **Labor and Industry**

Reports received from manufacturing associations in Connecticut indicated that August activity, although at a high level, failed to show the usual gain over July. This condition was quite general throughout the State. The number of man-hours worked in factories in Bridgeport, Bristol, and New Britain changed only nominally as compared with July; however, in the case of Bridgeport, a rather sharp drop in employment occurred at the end of the month. New Haven factories experienced a further sharp decline in activity to the lowest level since 1924. Employment in Torrington factories and Waterbury brass factories fell slightly when compared with July. On the other hand, Danbury hat factories were reported as running at full time. Cotton textile mills in Connecticut, according to data for cotton consumption and the number of active spindle hours, operated at capacity during August.

During the four weeks ended September 19th, 68% of the applicants at seven free public employment bureaus were given work against 71% in the corresponding period a year ago. The demand for skilled workers declined somewhat from July; the supply of unskilled workers was plentiful.

In the United States, employment increased less than seasonally between July and August. Rather large decreases occurred in the tire industry, automobiles, agricultural implements, cement, hardware, and foundry and machine shop products; increases in employment took place in rubber boots and shoes, petroleum refining, and cast-iron pipe.

#### **Trade**

Retail trade in Connecticut during August decreased less than seasonally from July and sales of department stores increased 4% when compared with last year. Stocks of goods on hand on August 31st in New Haven department stores stood 6% below the same day a year ago. Collections were fair. Orders for new goods remained conservative.

#### **Transportation**

Originating car-loadings at 14 Connecticut cities in August gained less than was seasonally expected over July. Data for the first half of September indicated a further falling off as compared with the usual trend. Loadings of iron and steel, copper and wool were in heavy volume and loadings of bituminous coal, merchandise less-than-carload-lot freight and automobiles also showed increases over July, although in the case of automobiles, the increase in loadings did not come up to expectations. Movements of cotton, fruits and vegetables, especially potatoes, were light.

(Continued on page 27)

teen manufacturers represented in the advertisement.

#### **Origin of the Plan**

Far from being a commercial scheme devised by the proposed medium, the plan originated in the Foreign Trade Department of the Association, and is sponsored by the Foreign Trade Committee, composed of the export managers of eight of the Association's largest exporting members.

#### **Further Information**

A bureau is to be established at the Annual Meeting where members may secure further details, reserve space and furnish copy.



"Conductor, help me off the train."

"Sure."

"You see, I'm stout, and I have to get off the train backward; the porter thinks I'm getting on, and gives me a shove on again. I'm five stations past my destination now."

Doctor — I will give you a local anaesthetic if you think it necessary.

Railroad Man — Well, Doc, if it's going to hurt I reckon you had better cut out the local and run me through on a sleeper.

A junkie was driving his wavering old cart down a narrow London street. Behind him, traffic had to keep to his pace. An irate old man in a long, glittering town car, had the chauffeur sounding the horn loud, long and insistently. The junkie turned his head, looked down along the polished perfection of the car, bowed low, and said: "Right-o, gov'nor, I'll call for it tomorrow."

"Why the thunder didn't you signal what you were going to do?" demanded the angry he-motorist.

"Because I couldn't make up my mind what I wanted to do, and I wasn't going to give you the wrong signal and chance a smash-up," retorted the lady driver, haughtily.

A stranger in a Kansas City restaurant offered the cashier a check for \$15.60.

"Just take out the price of my meal," said the diner, "and give me the balance in cash, if you please."

"I'm afraid we shan't be able to cash this check, sir," answered the cashier. "Y'see, sir, we 'ave a little mutual agreement with the banks, sir, that we cash no checks and they sell no soup."

Where's That Margarine? — A magazine article, praising exercise, says boxing increases the reach. So does boarding, and it's less strenuous. — *Rochester Times-Union*.

Valuable Package. — "Tommy, can you tell me one of the uses of cowhide?"

"Er, yessir. It keeps the cow together."

## EXPORTERS

At Your Service For Twelve Months

*An Intelligent Foreign Advertising Consultant*

\$2.00 a year — less than a cent a day — will hire you the services of an intelligent, thoroughly competent consultant for your export advertising and merchandising problems. *Advertising Abroad*, the monthly journal of the export advertiser, will be your counsellor — for each problem in your selling campaign abroad.

Each month, *Advertising Abroad* presents specialized information and new ideas on selling abroad by advertising, prepared by experts in the various fields. Each market — every phase of foreign advertising — is intensively analyzed and discussed with a single objective — more effective methods for selling your product to the foreign consumer. You will find information of dollar-and-cents worth on planning overseas campaigns, on foreign newspaper and display media, on merchandising channels, preparation of copy and art work for use abroad, and production methods for overseas copy. The regular monthly departments will advise you of activities in foreign markets, tariff changes, registrations of suspicious trade marks abroad, and will give advance reports on coming trade fairs throughout the world.

If you wish to employ a service thousands of export executives utilize each month, fill in your name and address and return the attached coupon. Your subscription will start with the October issue.

### Advertising Abroad

#### START YOUR SUBSCRIPTION TODAY

ADVERTISING ABROAD, One Year, \$2.00  
20 West 43rd St., New York, N. Y. Two Years, \$3.00

Please enter my subscription to *Advertising Abroad* for the period checked above and send the magazine and bill at the address below. Start with the October issue.

Name .....

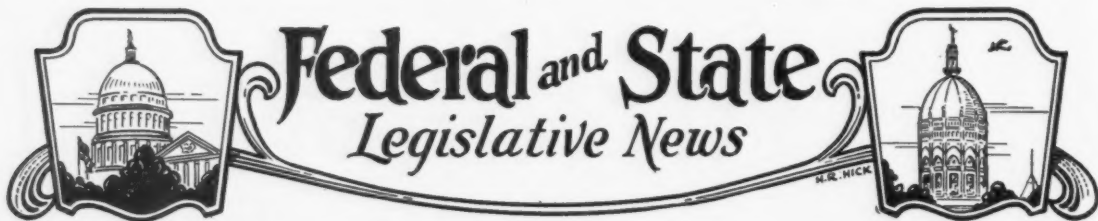
Street .....

City ..... State .....

Company .....

Kind of Business .....

Your Position .....



# Federal and State Legislative News

A question which is being asked everywhere is "Will the tariff bill pass?" There are many conflicting opinions offered by individuals in the various groups. Older members of the minority wag their heads philosophically and say that they do not know. Newer members of that same group maintain that the bill will fail of passage. Newer members of the majority feel that there will be a bill, but they do not say so with any very great conviction. Older members of the majority are convinced that the bill will pass. We subscribe to this latter opinion, not because it comes from the most experienced group, but because we do not see how either the Democrats or the insurgents can afford to block passage. True, filibustering methods may be employed, but in the end a bill will pass, and to all intents and purposes, the Hawley-Smoot Tariff should become a reality before the special session is ended. We say "to all intents and purposes" because there are a number of controversial points under the Administrative and Miscellaneous Provisions which might be so worded as to defer actual passage until a later time on particular points in these sections.

It is possible that the House went too far in its attempt to satisfy agriculture, but it may also be said that the Senate Finance Committee made unnecessary reductions in industrial schedules and had in mind too completely the plating of agriculture. Such opposites, however, are to be expected in our system of government. If the House Committee shows sufficient intestinal strength, as have the thinking members of the Senate Finance Committee, of which Senator Bingham is one, the weaker sisters will lose out and industry will have an adequate tariff.

There has been much controversy over the question of tax returns by corporations. Senator King appears to have specialized in this phase of the tariff, since it was he who did most of the questioning of witnesses on this score during the Senate hearings. It is to be remembered that the honorable senator from Utah had had no experience worth mentioning in connection with the operation of industrial corporations. He has failed to go deeply enough into consideration of the relationship between capital investment and earnings, and the serious-minded are certain that he is due for a shock on the Senate floor if and when he argues his point.

Democrats and insurgents can be depended upon to attack earnings of large corporations who come before the House and Senate Committees asking for higher rates on particular commodities. The present law provides that a demand for tax returns by a majority of the Finance Committee shall be honored, but the effect of the resolution recently passed by the Senate gives the same privilege to the minority. It is evident that the new law is "saucy for the gander," to appease the minority for past defeats. We believe that a few skirmishes over the some thousand tax returns which have been requested will suffice to convince the members of the Senate that the prosperity of a corporation as a whole has no relation to the prosperity of the individual plants which make up the larger corporations. We believe that the opposition will not dare force the closing of a large number of industrial units by applying the erroneous test of earnings of a corporation as a whole.

*Make your plans now to attend the Annual Meeting in Bridgeport on October 8th.*

*Structural Engineering  
Heating & Ventilation  
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Power Plants  
Estimates & Reports*

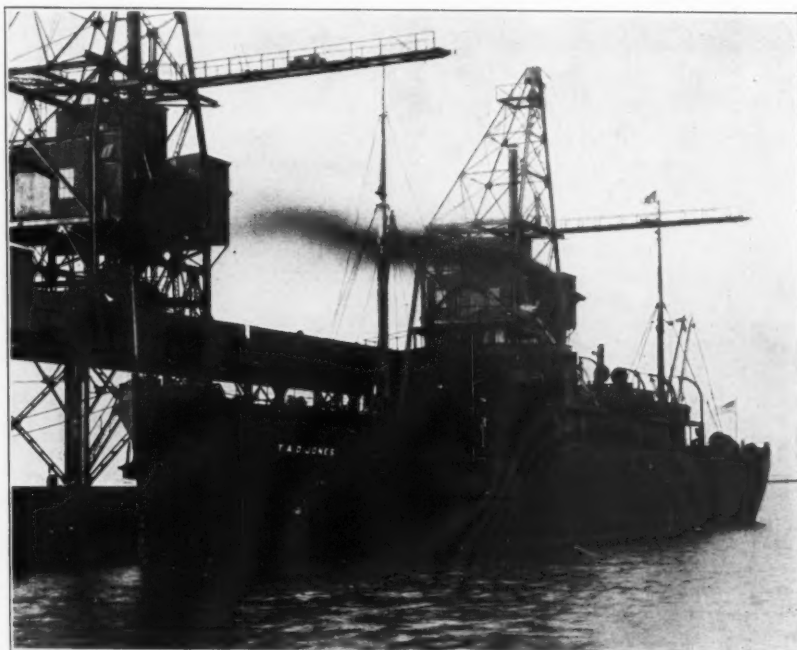
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By Using Our Facilities

TEN THOUSAND FIVE HUNDRED TONS  
of NEW RIVER COAL discharged each week.  
A 40,000 Ton Storage Pile—solves your  
emergency—reduces your storage—SAVES  
YOUR MONEY. Our service is within the  
reach of the nearest telephone.

**T. A. D. JONES & CO., Inc.**

BRIDGEPORT

NEW HAVEN

NEW YORK



# EXCHANGES

*This department is conducted for the benefit of members without charge. Information concerning any kind of executive help will be furnished on request*

## Employment Service

### MANUFACTURING EXECUTIVE— Graduate engineer, trained machinist, de-

signer, production engineer and factory manager in full charge of plant. Long and varied experience in development, production and management, with some sales. Good knowledge of men, machinery and methods. Address P. W. 2.

ENGINEER—Married. American. Graduate College of Mines. Experience covers chief engineer of large chain manufacturing company; plant engineer with electric company in charge of installing equipment; assistant superintendent in charge of operations at copper refinery; engineer on nickel refinery design; chief engineer of all engineering work of mine and mill of copper company. Address P. W. 3.

EXECUTIVE ASSISTANT—Twenty years' experience in railroad service including traffic, transportation and maintenance departments. Also positions of supervisory and official standing. Twelve years in commercial business including purchasing, sales and executive duties. Desires position as traffic manager or assistant in transportation work, office or employment manager, purchasing or administrative work. Valuable experience in research duties. Address P. W. 5.

ELECTRICAL MECHANICAL ENGINEER—American, age 39. Technical school graduate. Employed for a number of years as engineer in charge of design and production work on electrical and mechanical devices. Address P. W. 8.

PURCHASING MAN—College graduate, married. Seven years' experience in accounting, payroll and cashier work, three years in purchasing. Understands cost and statistical work. Address P. W. 9.

BOOKKEEPER—High school graduate. Age 33. Experience in bookkeeping and general clerical work. Address P. W. 10.

EXPORT MAN—Married. Age 34. Speaks French and German. Merchandising experience in the cities of the Far East and Europe. Also has operated advertising business. Address P. W. 11.

## For Sale

LOCKERS—274 used steel lockers, standard make, good condition, 12 x 15 x 36, double tier with locks. Address S. E. 1.

GRINDERS—1 No. 6 Besly double-disc grinder; 1 Blount 20" wet grinder; 1 3-compartment Triad gas hardening furnace; 1 Follett time stamp. Address S. E. 201.

ELECTRIC HOIST—1-Lo-Hed electric hoist, 1,000 pounds capacity, 20 ft. lift, 3 phase, 60 cycle, 200 volts. Made by American Engineering Company for use on an over-head track; Model No. A-1/2, in good mechanical condition. Address S. E. 202.

BOILER—1 Vertical 6 H. P. boiler, 30" diameter, 5' long, made with 1/4" steel shell and fire-box 3/8"; 2 heads and contains 48 tubes 2" diameter and 3' long. Excellent condition and reasonable in price. Address S. E. 203.

## Factory Space

44. FOR RENT. Space suitable for office or light manufacturing; at reasonable price, private railroad siding; modern in every respect, heat, light and power.

45. FOR SALE. In Milford, factory building, 35' x 135' containing approximately 20,000 sq. ft. of heavy frame construction, covered with asbestos shingles. Fully equipped with automatic sprinklers, vacuum steam heating, freight elevator, 100 H. P. boiler and well lighted. Suitable for medium manufacturing. Lot 130' x 237', adjoins side-track of R. R. Good labor market and overnight freight shipments to and from New York.

46. FOR SALE. In New Haven, factory site on railroad, lot about 250 x 250; railroad siding can be installed reasonably.

*And last but not least —  
The Annual Meeting  
Bridgeport — October 8th*

# EASTERN *Safety* ELEVATORS

## Up or Down

Upstairs or downstairs, the safety of your employes, the efficiency of your plant, the safe handling of your goods, the impression on the stranger within your gates—how much depends on the right kind of an elevator! The best there are are made in Connecticut. Call us in to consult with you and to submit quotations on freight or passenger equipment.

### THE EASTERN MACHINERY CO.

38 Gregory Street

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COLUMBUS 4660-4665

**CITY CORRUGATED PAPER PRODUCTS CO. INC.**

*"The box that lasts longest"*

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NEW YORK CITY

OUR REPRESENTATIVE IS WITHIN  
DAILY CALL OF YOUR OFFICE

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Let this magazine be your  
advertising medium too. A  
wider circulation with every  
issue. *Write to-day.*

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Express—Freight  
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### "INTERCOASTAL WESTBOUND"

FORTNIGHTLY SAILINGS between Boston, New York, Los Angeles, San Francisco. Cargo for Oakland, Portland, Seattle and all inland destinations subject to San Francisco trans-shipment.

### "ROUND—THE—WORLD"

FORTNIGHTLY SAILINGS between Boston, New York, Havana, Colon, Balboa, Los Angeles, San Francisco, Honolulu, Kobe, Shanghai, Hongkong, Manila, Singapore, Penang, Colombo, Suez, Port Said, Alexandria, Naples, Genoa, Marseilles thence New York.

### "TRANS—PACIFIC"

WEEKLY SAILINGS between Los Angeles, San Francisco, Honolulu, Yokohama, Kobe, Shanghai, Hongkong, Manila.

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We have the complete equipment to handle your machine work on a contract basis. We also maintain a competent engineering department and are prepared to undertake the development, design and manufacture of machinery for any purpose.

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### Good Printing Plates

Advertising men know that illustrating, designing and good printing plates are one of the essential mechanics for producing satisfactory results in printed literature.

### Advertising Art and Engraving

PLIMPTON BLDG. ANN & PEARL ST  
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### Since Connecticut exports decrease

We note that Connecticut exports have decreased while those of the country as a whole have become greater, and without presuming to prescribe, it occurs to us that it might be a fine idea for the Connecticut Manufacturer to step over to Europe and see if he cannot find the remedy for himself. It ought to be a handsomely paying investment.

### F. IRVIN DAVIS

TICKETS & TOURS

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Hartford Cable Address "FIDAVIS"



